

||||| 2023

STATE OF THE LETTINGS
INDUSTRY REPORT

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Introduction

This is Goodlord and Vouch's sixth State of the Lettings Industry report - the most comprehensive overview of the private rented sector. This report outlines the views of **more than 2,000 people - including 1,168 private tenants and 861 property professionals.**

The findings come from a survey conducted in July 2023 by Goodlord and Vouch, two of the leading lettings technology platforms in the UK. The survey was open for two weeks and was targeted at people who would be considered part of the private rented sector - including letting agents, estate agents, landlords and tenants.

The views of property professionals in this report have been separated to show the distinct views of landlords, letting agents, and tenants. For the first time, **views of industry suppliers have also been included in this report** to add further context to the wider picture of the sector.

Industry suppliers represent people both directly involved in and adjacent to the private rented sector - including solicitors, tech providers, build-to-rent operators, and property redress schemes.



This year's State of the Lettings Industry report is our most comprehensive to date, with **more than 2,000 responses.**

By analysing more than 120 questions, we've managed to build a 360-degree view of the industry's sentiment for 2023. We'd welcome any feedback for next year's report, so do get in touch with us if you have suggestions.



William Reeve, CEO, Goodlord

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Although it's understandable to see anticipation about the changes to come, it's more important than ever to be positive. Upcoming legislation is a **real opportunity for letting agents to demonstrate their value** to landlords and tenants. Clued-up letting agents will thrive in this ever-changing landscape.



Tom Goodman, Managing Director, Vouch

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Hear William and Tom discuss the results in our **exclusive podcast.**

Listen now



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Executive summary

Goodlord and Vouch's 2023 report encompasses the views of more than 2,000 people - including 1,168 private tenants and 861 property professionals. Three headline stories became clear during the analysis of this data.



1

MORE TENANTS, FEWER AVAILABLE PLACES TO RENT

Availability of private rented properties remains a challenge in the sector this year, at a time where demand for properties is rising (page 7).

Respondents gave numerous reasons for the lack of supply, including: landlords leaving the sector (page 9), the pressure of increasing regulation from the Renters (Reform) Bill (page 11), and the pressure to upgrade properties to a higher energy efficiency rating (page 29).

Respondents also answered questions on the impact of short-term lets (page 14), and how supply and availability issues are directly affecting tenants - both this year (page 16) and in the next 12 months (page 17).

2

CONTINUING CONCERNS ABOUT LEGISLATION

In May 2023, the government officially introduced the Renters (Reform) Bill to parliament. It must now go through a lengthy parliamentary process before it becomes ratified as law.

English letting agents and landlords gave their views on the proposed terms of the Bill, from the abolition of “no fault” section 21 evictions (page 21) to the introduction of periodic tenancies as standard (page 22).

Although sentiment around the proposals - especially for section 21 - remains broadly negative from landlords and letting agents, proposals such as the property portal (page 25) received a more mixed reaction.

3

AN UNCERTAIN FUTURE FOR THE PRIVATE RENTED SECTOR

Broadly, tenants and property professionals swayed more negative when considering the future of the private rented sector (page 5). This includes predictions for supply and availability changes (page 7).

Tenants, landlords, industry suppliers, and landlords were all asked the same question: “How positive do you feel about the future of the private rented sector?”. The responses on the following page show that landlords tended to be the most pessimistic, and industry suppliers the most optimistic.

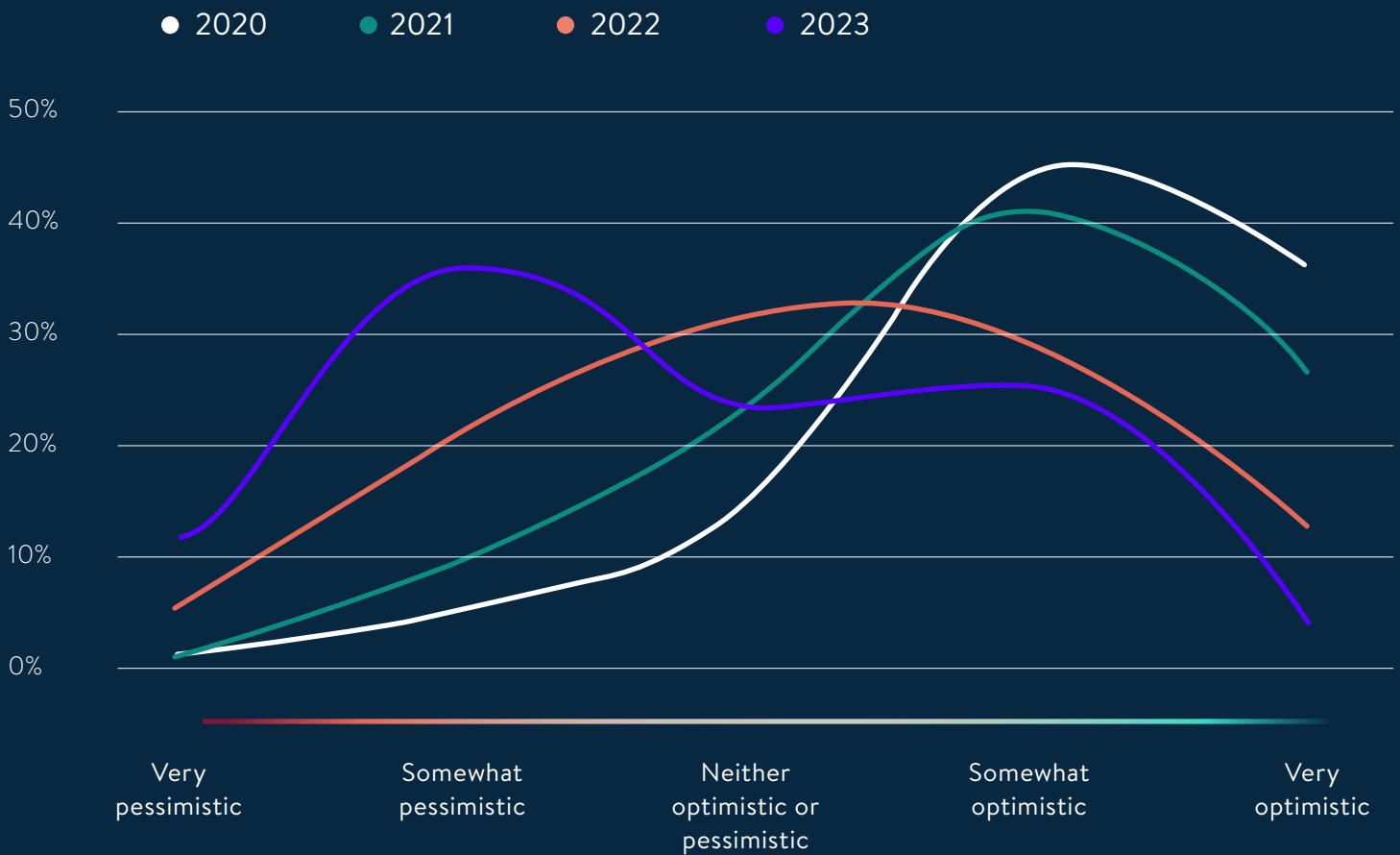
When comparing lettings agents' responses over the years (next page), it is also clear that sentiment is becoming more negative over time.



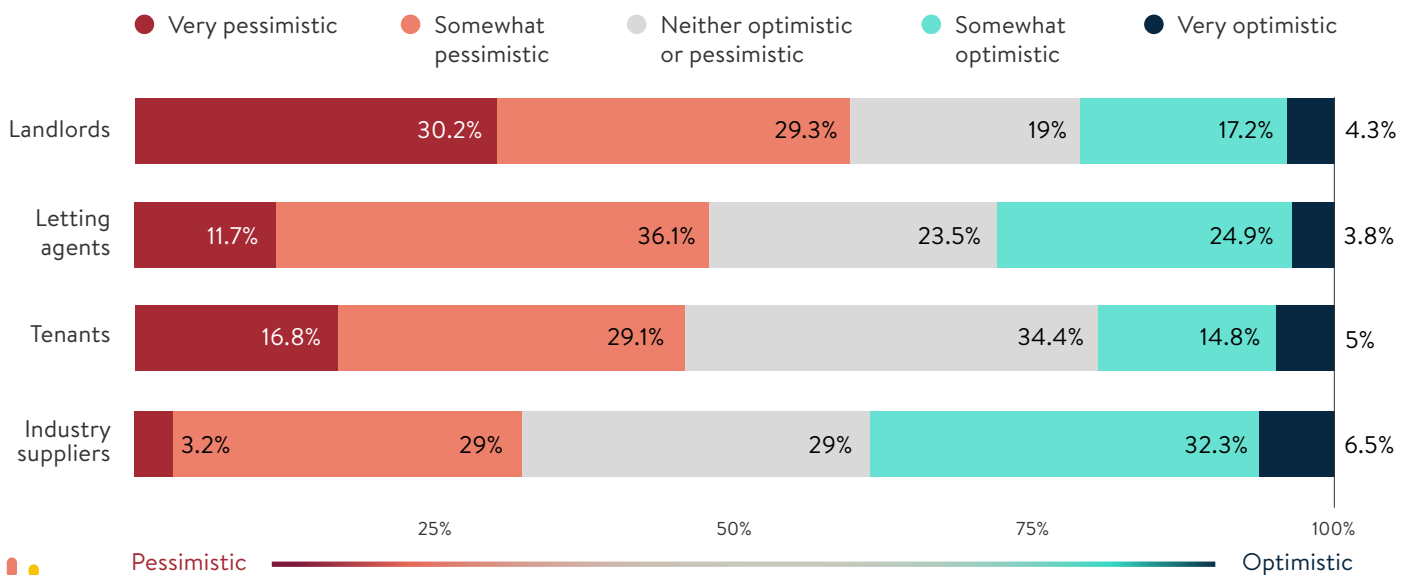
LETTING AGENTS ARE BECOMING MORE PESSIMISTIC

For the last four years, Goodlord and Vouch have asked the same question to letting agents: ‘How positive do you feel about the future of the private rented sector?’. The 2023 trend line shows that agents are becoming increasingly pessimistic about the sector, even more so than in 2022, where sentiment swayed more neutral.

How agents feel about the future of the private rented sector

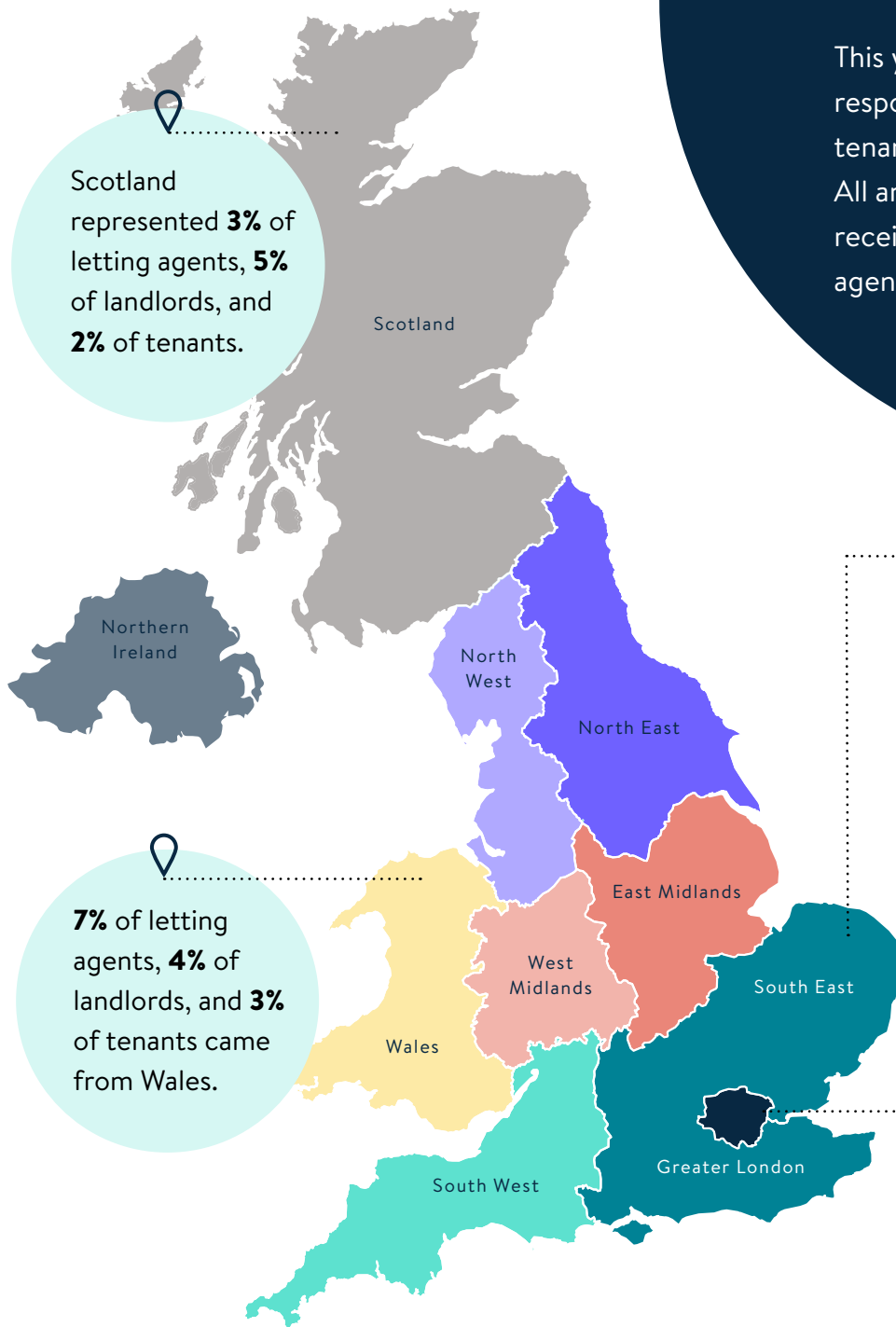


2023 result: How positive do you feel about the future of the private rented sector?



Response breakdown

This year's survey saw more than 2,000 responses - including 1,168 private tenants and 861 property professionals. All areas of England, Wales, and Scotland received representation from letting agents, landlords, and tenants.



Scotland represented **3%** of letting agents, **5%** of landlords, and **2%** of tenants.

7% of letting agents, **4%** of landlords, and **3%** of tenants came from Wales.

Roughly a quarter of letting agents (**25%**), landlords (**25%**) and tenants (**24%**) came from the South East.

Greater London represented **16%** of letting agents, **9%** of landlords, and **15%** of tenants.

297 lettings-focused agents

287 lettings and sales-focused agents

39 estate agents

76 industry suppliers

162 private landlords

1,168 tenants

Chapter 1



Demand is up, availability is down

The trend continues from 2022 - availability of rental homes is still struggling to keep up with increasing demand from tenants.



Are there enough rental homes to meet demand?

The availability of private rented accommodation has become a hot topic in the media - and it's been noted by letting agents.



THE CURRENT SITUATION

> The graph below shows the gulf between demand and availability.



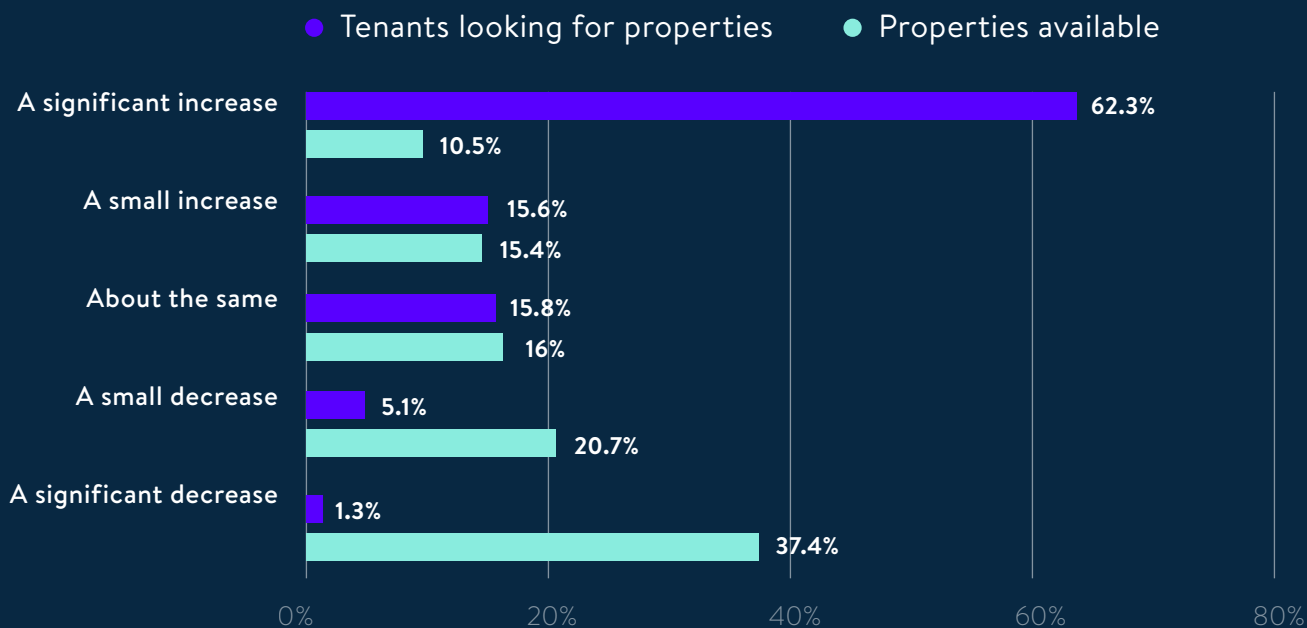
Availability is down



Demand is up



↙ Demand from tenants vs. availability of rental housing in the past year



WHY IS THERE LESS AVAILABILITY IN HOUSING?

Letting agents gave three top reasons for why they thought the number of properties available to rent was decreasing.

76% said it was due to landlords selling up or reducing their portfolio

59% said not enough new landlords were coming into the sector

51% said tenants were staying put in rental properties

Are landlords leaving the sector?

Letting agents and landlords said one of the causes of lack of available housing to rent may be because landlords are selling their properties.



THE LETTING AGENT VIEW



Over the last 12 months, 95% of letting agents saw at least one of their landlords selling one of their properties. Nearly a quarter of letting agents saw up to 20% of their landlords selling at least one of their properties.

HOW MANY OF YOUR LANDLORDS HAVE LEFT THE SECTOR/SOLD UP IN THE LAST 12 MONTHS?

98% of London agents said they saw at least one of their landlords selling a property

95% of all letting agents saw at least one of their landlords selling a property

80% of agents said they expected more landlords to reduce their property portfolio in the next 12 months

THE LANDLORD VIEW



The below figures show that 47% of landlords have either attempted to sell a property this year - or are considering doing so. Of the 30% of landlords who did sell a property, 40% sold one, 33% sold two, and 3% sold more than five.

HAVE YOU TRIED TO REDUCE THE SIZE OF YOUR PORTFOLIO IN THE LAST 12 MONTHS?

53% said they did not attempt to sell any of their properties

30% said they put at least one property up for sale / sold at least one property

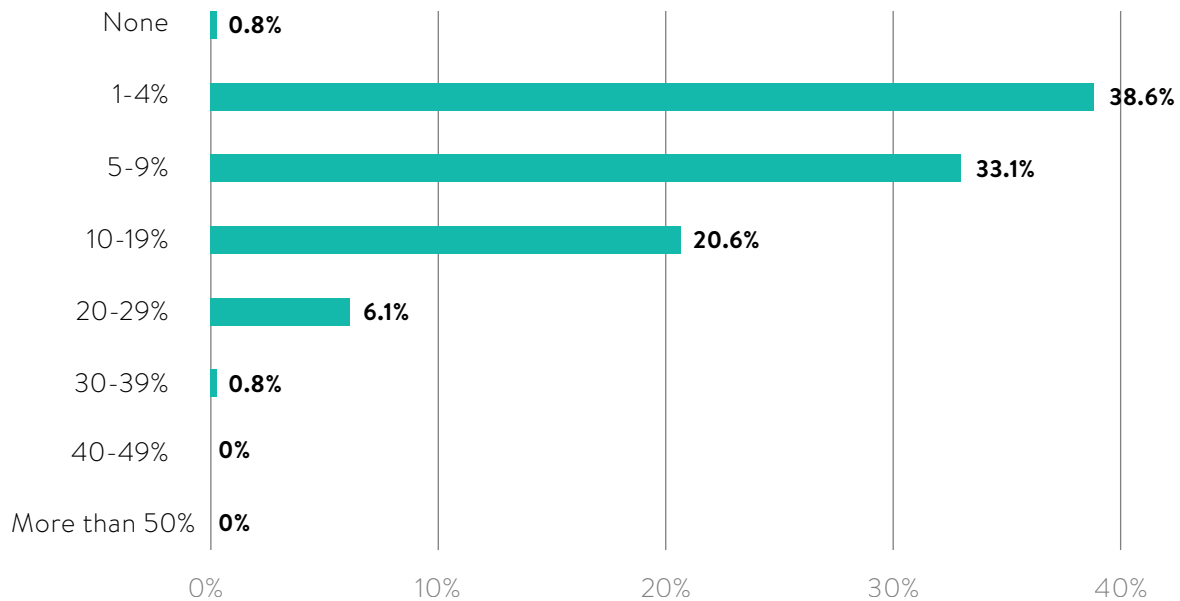
17% said they will consider reducing their property portfolio in the next 12 months

PREDICTIONS VS. REALITY >

In 2022, we asked agents to predict how many of their landlords would leave the sector between 2022-2023. In 2023, we asked what **actually** happened.

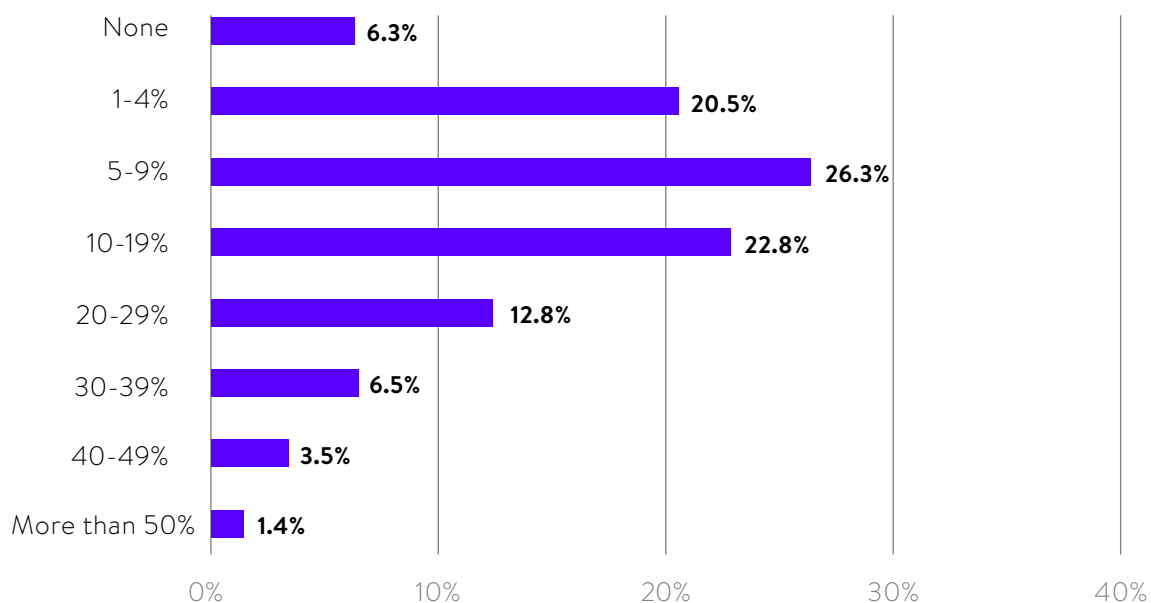
PERCEPTION

Proportion of landlords that agents **expected to leave the sector** in 2022-2023



REALITY

Proportion of landlords that agents said **actually left the sector** in 2022-2023



WHAT DOES THIS MEAN? > More landlords sold properties than agents predicted.

Why are landlords selling up?

Financial reasons remain a clear driver for why landlords are reducing their portfolio.



GENERAL SENTIMENT >



Landlords and letting agents were asked for the reasons why landlords may be selling their properties.

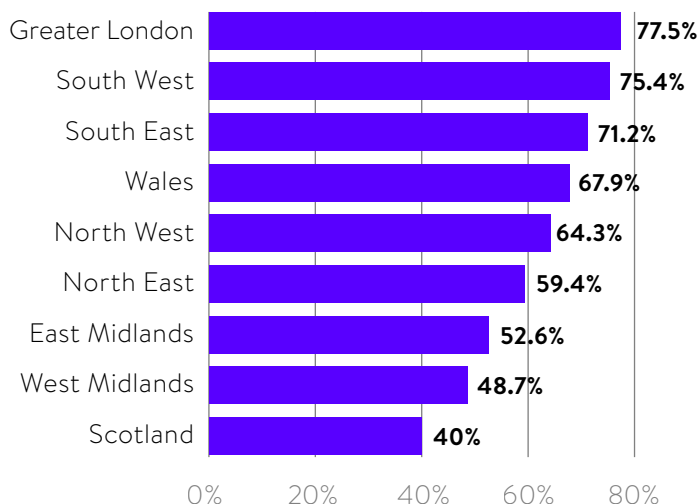
82% of agents and 70% of landlords cited an economic or financial reason - including the impact of higher mortgage rates, changes in taxation, the impact of other costs increasing, and better investment opportunities outside the sector.

Landlords and letting agents were in general agreement on other factors too, with 55% of agents and 56% of landlords citing incoming legislation from the Renters (Reform) Bill as a factor (see chapter 2 for more).

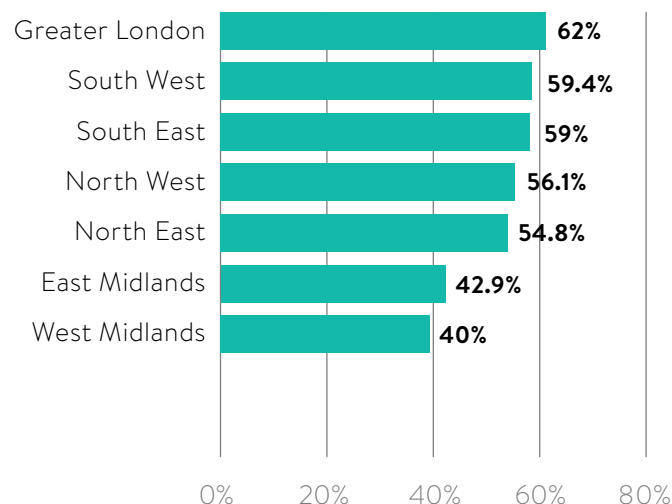
DIFFERENT OPINIONS > BY AREA

Letting agents said the main financial reason for landlords leaving the sector was the impact of higher mortgage rates. However, this was a significantly larger factor for letting agents in Greater London (78%) than in Scotland (40%). Meanwhile, the Renters (Reform) Bill is considered a factor across England, but less of an issue in the East and West Midlands than in other areas.

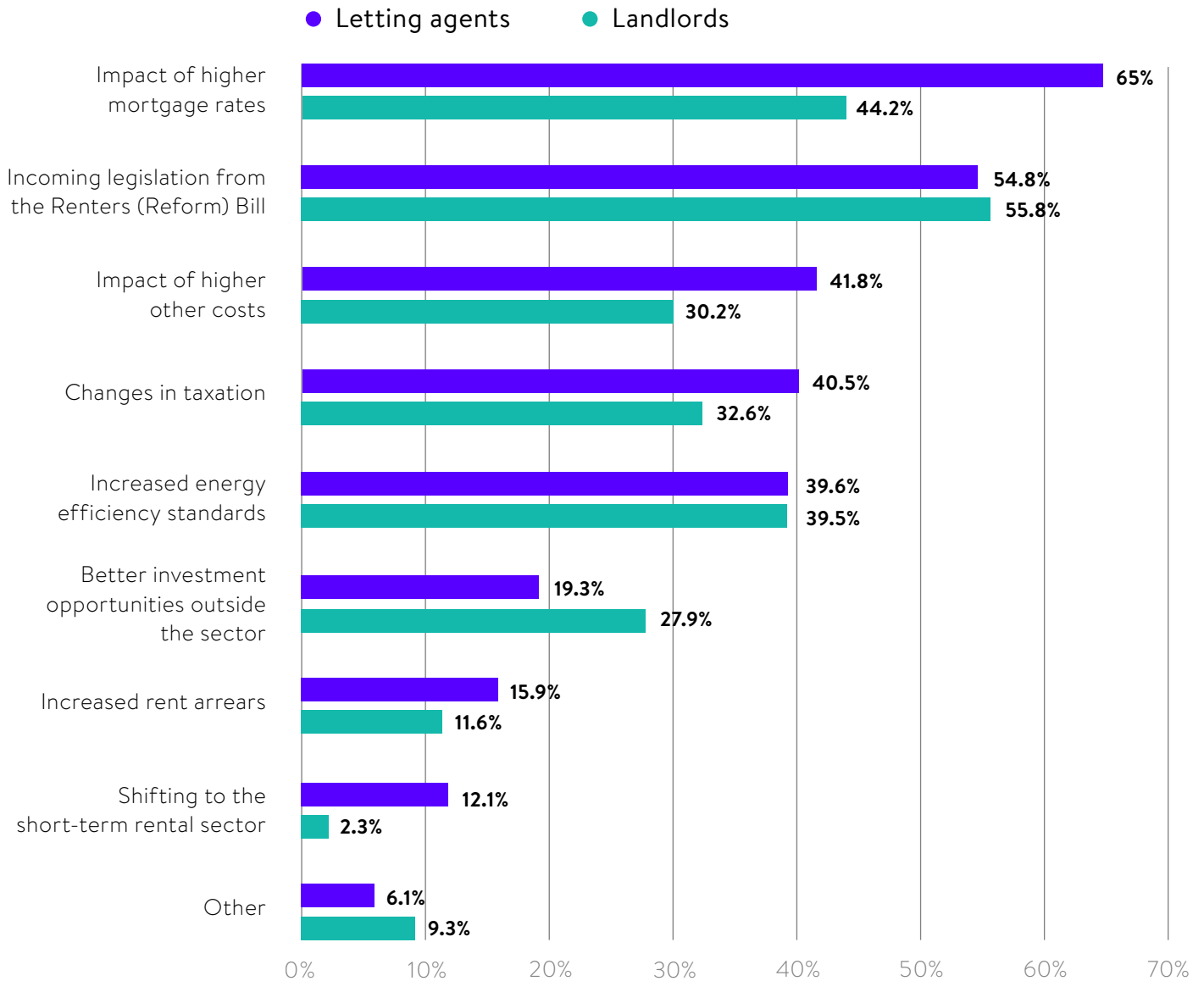
∨ The impact of higher mortgage rates were a reason for landlords leaving the sector



∨ The Renters (Reform) Bill was a reason for landlords leaving the sector



Why do you think your landlords have left the sector/started selling up?



Despite rocketing rents and rising demand, we are continuing to see landlords exit the private rented sector. Removal of full mortgage interest relief together with 14 consecutive base rate rises is forcing landlords to sell, creating creating a perfect storm for tenants.

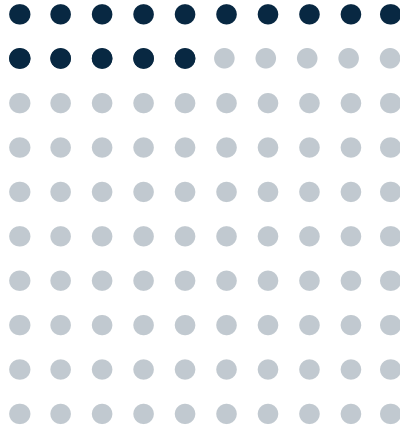
Unless section 24 of the Finance Act is reversed immediately and incentives are introduced for supply to return, it may prove too late to avert a significant rise in homelessness across the country. What this means: higher mortgage rates are putting pressure on landlords across the country, especially in London and the South West and South East.”



Gregory Tsuman, Lettings Director, Martyn Gerrard



15%



more letting agents said legislation was a reason for landlords leaving the sector (2022 vs. 2023)

The top three reasons for landlords selling were:

- 1 Economic/financial reasons
- 2 Incoming legislation from the Renters (Reform) Bill
- 3 The pressure of increased energy efficiency standards



The government needs to ask itself ‘how can we make this market better for landlords, so they feel encouraged to participate and see the benefits from investing and providing accommodation?’

Increased supply will actually create a more competitive market for landlords, pushing landlords to be better to win the tenants that they want. That’s a more sustainable way to create the change that we’re looking for in the industry.”



Ben Grech, CEO, Reposit



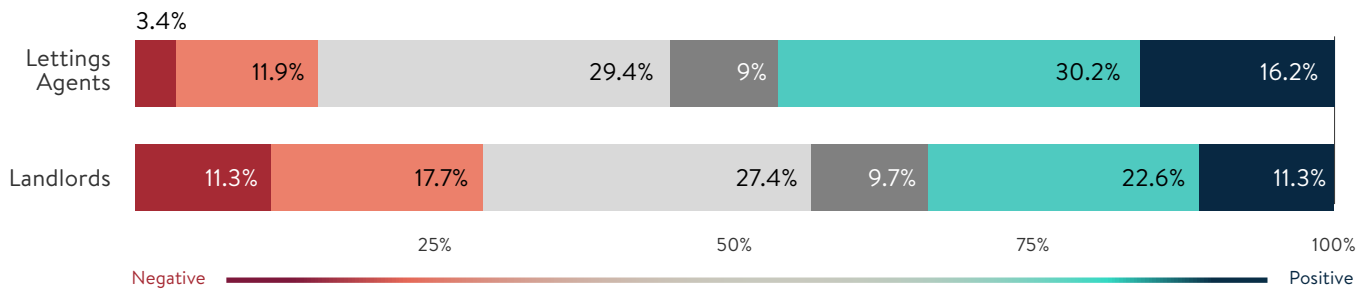
What about short-term lets?

Short-term, AirBnB-style lets have become a contentious topic in parts of the UK. The government has sought opinions on strengthening regulation in the sector, including opening a consultation in 2023.



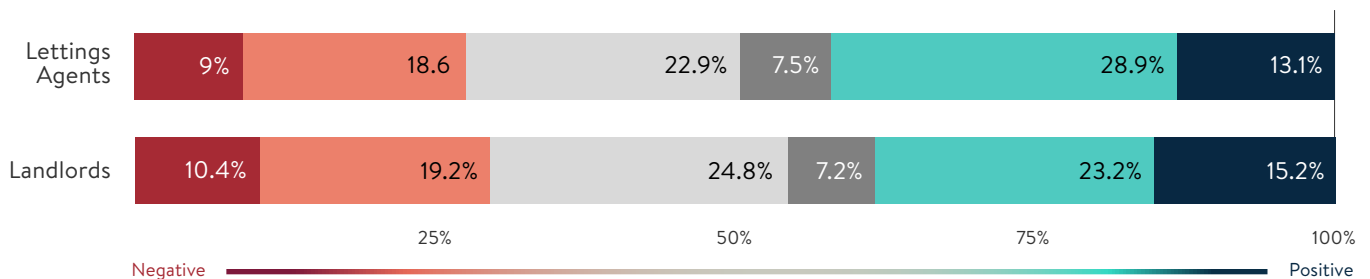
REACTIONS TO A NEW REGISTRATION SCHEME

> One of the government’s proposals for England is to create a register, in which property owners would need to **provide information** about their short-term lets. 46% of letting agents and 34% of landlords had a favourable view on these proposals.



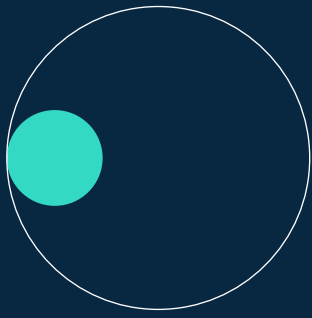
SCHEMES TO CONTROL SHORT-TERM LET GROWTH

> The government has also set out proposals to consider a scheme that **would slow the growth** of short-term holiday lets in certain areas to ensure supply is kept within the private rented sector. Letting agents and landlords considered this in relatively similar terms, with letting agents feeling slightly more positive.



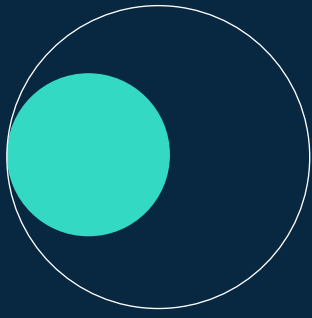
- Very negative
- Somewhat negative
- Neither positive or negative
- Somewhat positive
- Very positive
- Don't know





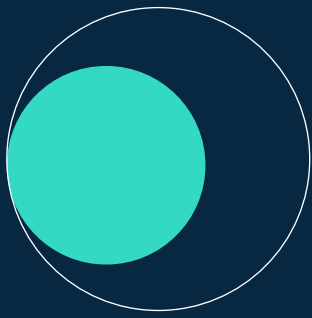
10%

of landlords said they have turned one of their properties into a short-term let



29%

of landlords have considered turning one of their properties into a short-term let



43%

of letting agents have seen an increase in short-term lets in the last 12 months

“

It is not surprising that landlords are generally positive about a landlord registration scheme. Provided that such a scheme is light-touch and does not impose significant new financial burdens on landlords then good landlords have little to fear. It is likely though that their support will wane rapidly if they do not see a new register matched by a substantial improvement in enforcement activity.”



David Smith, Partner at JMW Solicitors



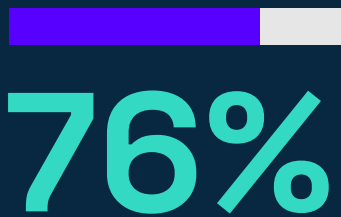
How are demand and availability issues affecting tenants?

When there are not enough rental properties available, it affects the entire rental ecosystem - especially tenants.



BIDDING OVER BUDGET

In order to secure a rental property, some tenants are bidding over the originally advertised rate. 13% of tenants this year said that they paid more rent per month than the rate originally advertised.

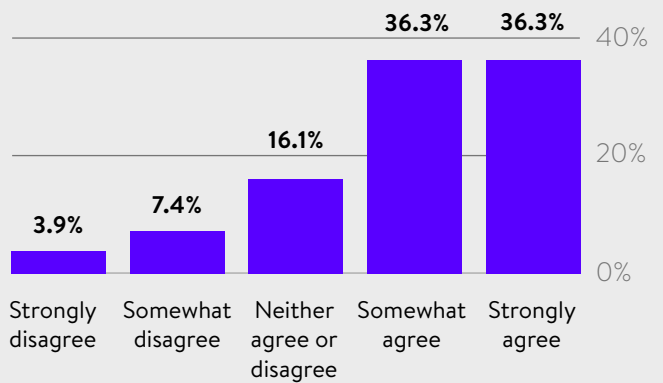


of tenants who moved between July 2022-July 2023 said they found it difficult to find a rental property

DIFFICULTIES FINDING A PROPERTY TO RENT

The stress of finding a property is adversely affecting tenants. Three-quarters (73%) of tenants agreed that finding a new rental property was “one of the most stressful things they have ever done.”

↘ **Tenants: “Finding a new property is one of the most stressful things I have done”**



I found it almost impossible to find a flat to rent in Scotland. I would express an interest in a property and, within 24 hours, so had 60 other people. I was competing with 20 other people just for virtual viewings. It was crazy.”



Mia, Tenant, Glasgow



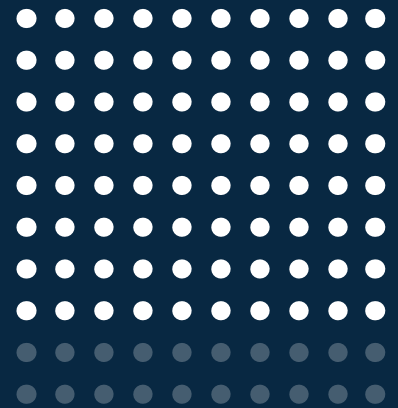
Will demand or availability change over the next 12 months?

Letting agents predict that the trend of landlords selling up will continue.

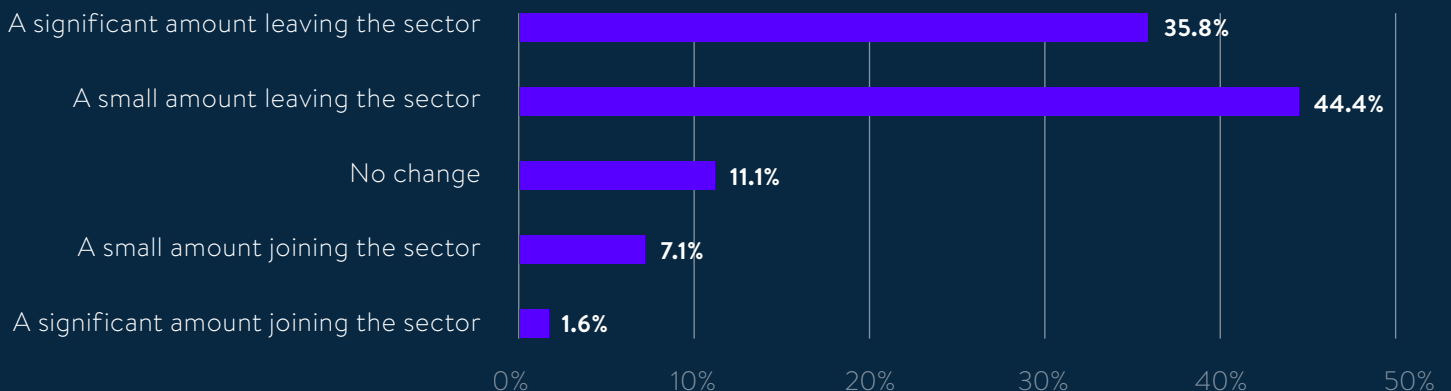


80%

of letting agents said they expected landlords to leave the sector in the next 12 months - with 36% saying it would be a "significant amount"



What do you expect to see in the next 12 months in terms of landlords leaving or entering the sector?



When tenant contracts come to an end, they now look around the marketplace and realise that there's little point moving to another property, as it's likely to cost them another hundred pounds or more per month. That in itself has contributed to much lower numbers of fluidity of movement and availability across all the property portals."



Mark Gray, Director at Elevation Lettings

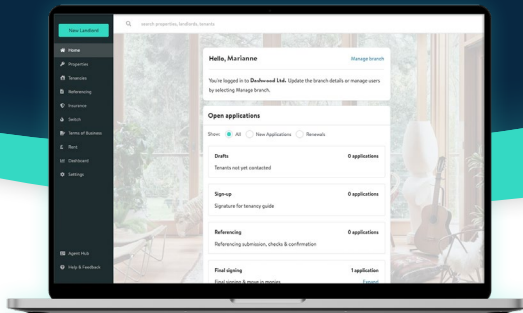


REFORM IS HERE

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The Renters (Reform) Bill will affect your processes, revenue, and compliance

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Chapter 2



Responses to the Renters (Reform) Bill

The Renters (Reform) Bill, announced in May 2023, is set to shake up the sector. The following chapter outlines views from agents and landlords in England only.



What's the reaction to the Renters (Reform) Bill?

Although the Renters (Reform) Bill has been long anticipated, it was only in May 2023 that it was formally introduced to parliament.



GENERAL SENTIMENT



Sentiment is mixed across the board, with landlords swaying neutral (33%) or pessimistic (54%) - with a larger proportion being "very" pessimistic. Letting agents are also pessimistic, though 29% believe the changes to be positive.

How do you feel about the proposed regulation in the Renters (Reform) Bill?



The figures reflect the uncertainty surrounding the proposed legislation. I am not surprised that agents' and landlords' views differ as most agents have easier access to help and support through their professional network, so they can understand and adapt to the changes. A lot more help is needed to ensure landlords are prepared."



Sean Hooker, Head of Redress at The Property Redress Scheme

Is the abolition of section 21 still a concern?

The abolition of section 21 - “no fault” - evictions was the most contentious proposal in Goodlord and Vouch’s 2022 report.

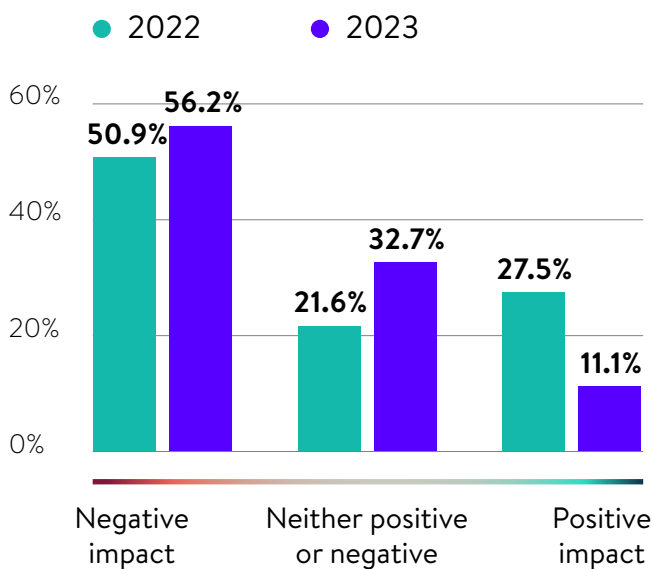


GENERAL SENTIMENT

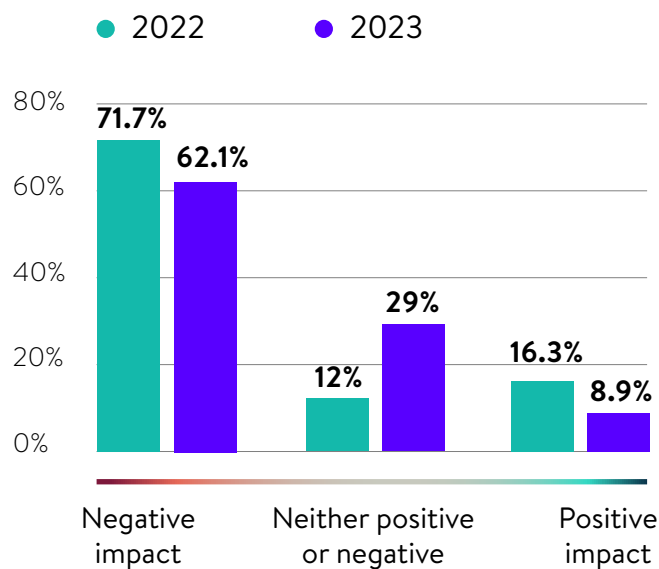


In 2023, sentiment still continues to skew negative regarding the abolition of section 21.

Letting agents’ view of abolition of section 21



Landlords’ view of abolition of section 21



Letting agents seem to have become more negative this year. This may be because we have far more detail about how the law will work, whereas we only had the white paper in 2022. It could well be that letting agents are responding to what their landlords are telling them: fewer landlords = fewer properties = lower revenue.”



Ryan Heaven, Solicitor, Dutton Gregory



What's the view of new rolling tenancies and the strengthening of section 8?

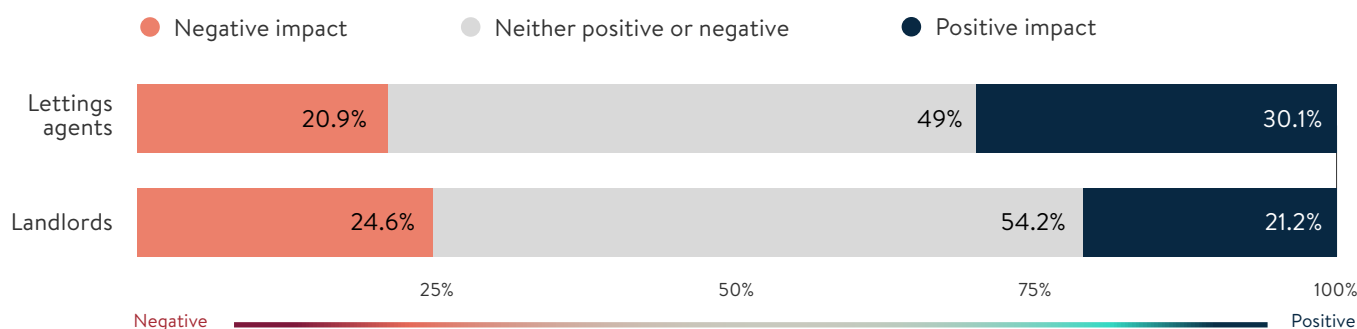
Under the Renters (Reform) Bill, fixed-term tenancies will come to an end in favour of rolling, periodic contracts.



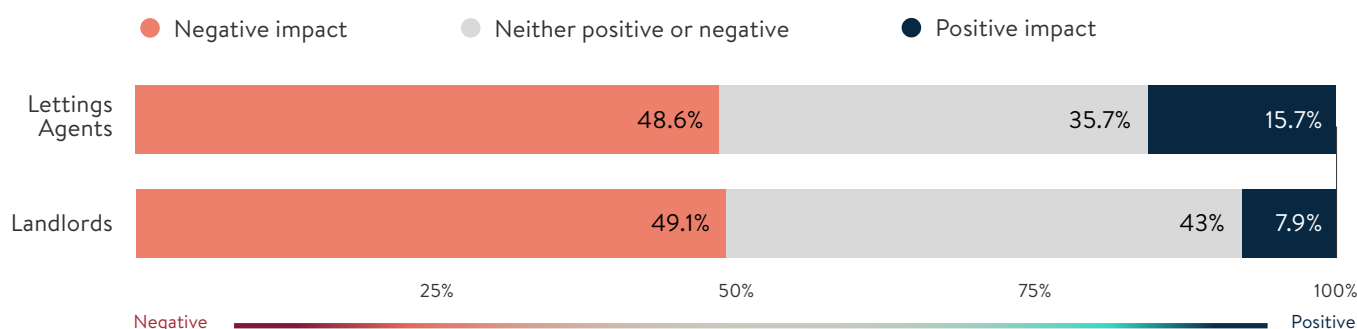
GENERAL SENTIMENT >

The introduction of new grounds under section 8 received broadly mixed feedback, with around half of letting agents and landlords believing that it would have neither a positive or negative impact on the sector.

∨ The introduction of new grounds under section 8



∨ The impact of rolling contracts



What are the views on the new rules for pets in lets?

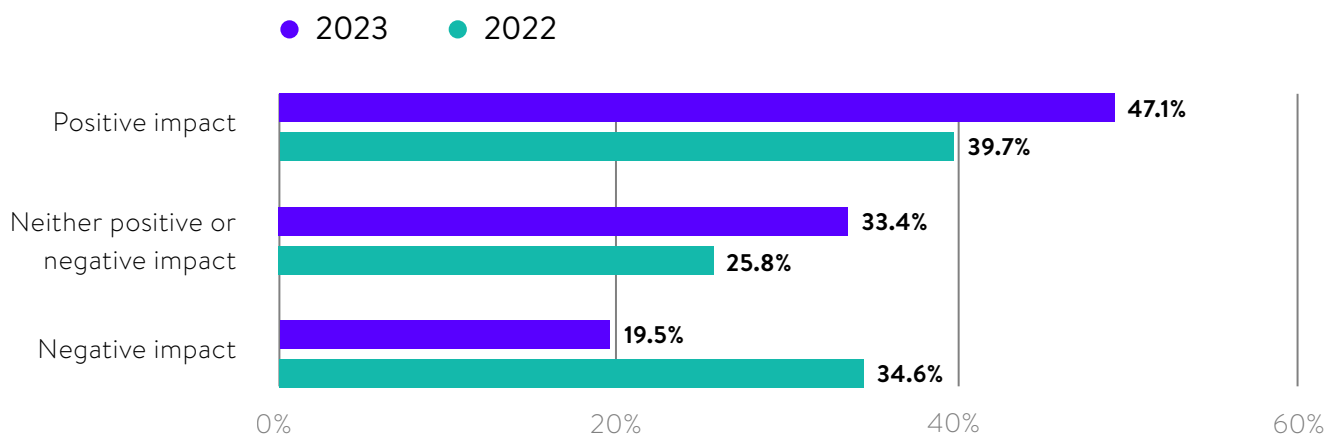
The idea of giving more freedom to tenants to have a pet in their property was first proposed in 2022. However, the Renters (Reform) Bill added further caveats that tenants must be financially accountable in the case of damages.



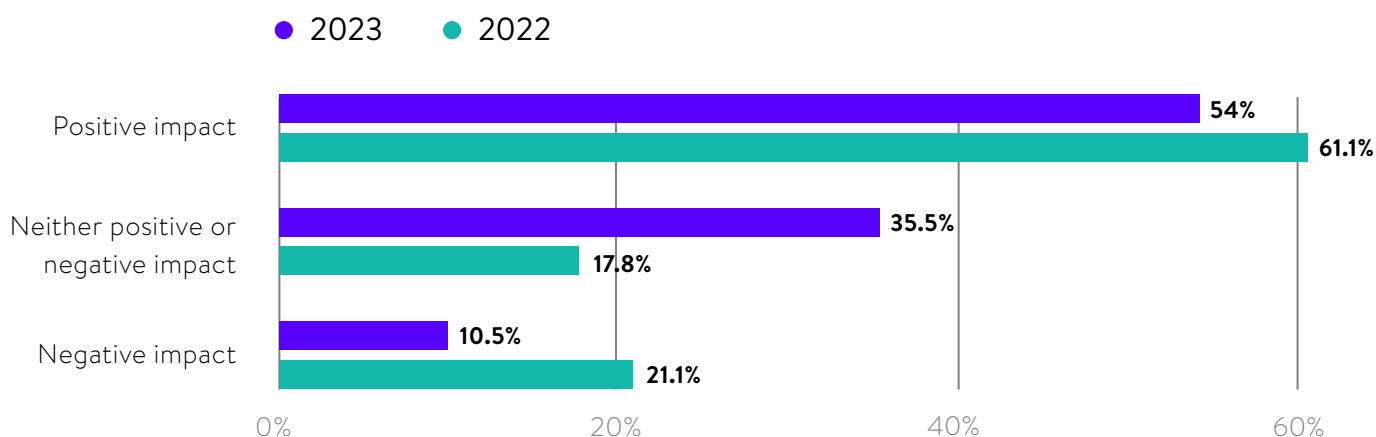
GENERAL SENTIMENT >

Letting agents are becoming more positive around legislation on pets in lets. However, landlords remain undecided - while tenants' views on pets are mixed (see next page).

Letting agents' views on the impact of pets in lets: 2022 vs. 2023

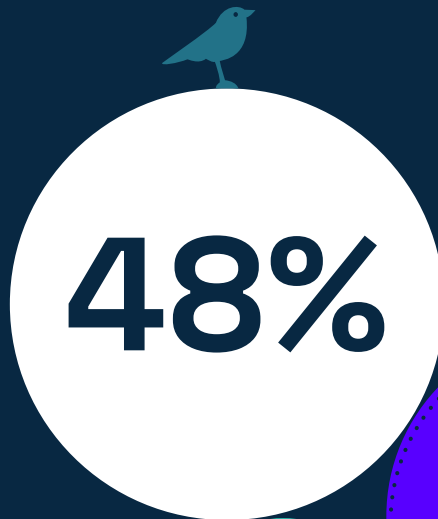


Landlords' views on the impact of pets in lets: 2022 vs 2023



Do you own a pet?

No, and I don't want one



36%

No, but I would like one



yes



85%

tenants with pets found it difficult to find a property

95%

of tenants who wanted pets said they would get one when the government relaxed restrictions

“

Most of the flats I looked at online had ‘no pets’ as part of the description, so my choice of flats was very limited. This was stressful as I was aware of how competitive the market was and felt it was another barrier to finding a place to live.

I'm pleased about the pet requirements being relaxed, though in such a competitive market I still worry landlords will try to favour applicants without pets.”

Kat, Tenant, London



How does the sector feel about the new proposed property portal?

The government aims to launch a new property portal under the Renters (Reform) Bill, which will be a central and digital overview of landlords and their properties in England.



GENERAL SENTIMENT >

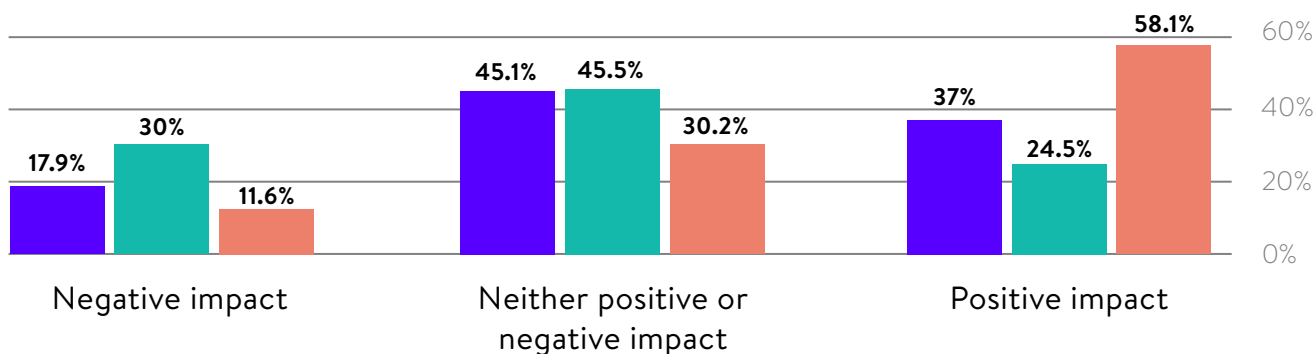
Opinions on the property portal swayed relatively neutral. Industry suppliers (e.g. solicitors, build-to-rent suppliers, rental technology specialists) were significantly more in favour of the portal than landlords and letting agents.

View on the property portal

● Letting agents

● Landlords

● Industry suppliers



The concept of a property portal appears to be generally welcomed by agents as positive or at least not negative, whilst landlords are more sceptical. This may well reflect the views many of them have with local licensing schemes and their concerns over additional costs or red tape.

The support sector, which has a track record on delivering solutions to the market, clearly sees the benefits of such a platform but it remains to be seen if government turns to the experts to deliver the system or tries to do it themselves.”



Sean Hooker, Head of Redress at The Property Redress Scheme

What's the reaction to the proposed ombudsman?

The Renters (Reform) Bill outlines the government's plans to introduce a new ombudsman that all landlords must join - regardless of whether they use a letting agent.



GENERAL SENTIMENT >

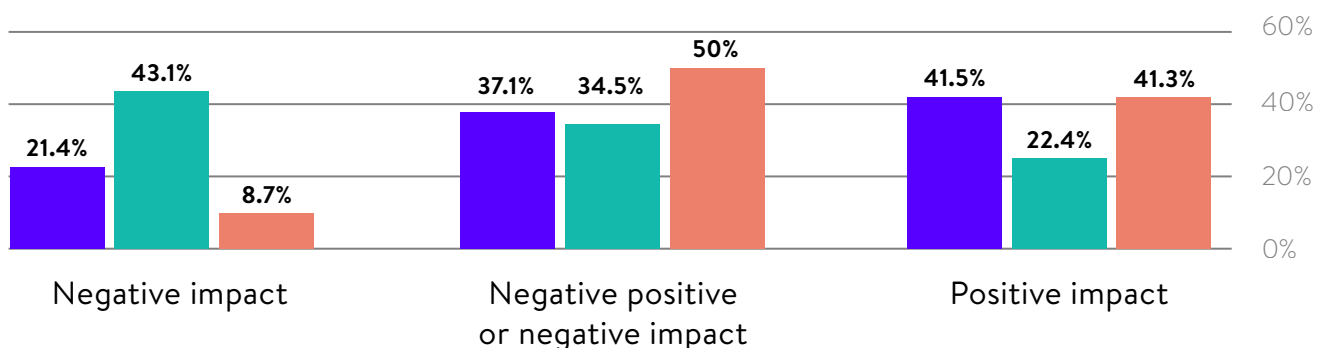
Landlords have the strongest negative views of the introduction of the ombudsman, with 43% believing it would have a negative impact on the sector, and 22% believing it would have a positive impact. Conversely, 42% of letting agents and 41% of industry suppliers believe that it would have a positive impact.

Views on the ombudsman

● Letting agents

● Landlords

● Industry suppliers



Agents have been used to a regime of redress and understand what this brings to standards in the sector. It will need however a concerted effort to help landlords understand and adapt to a new regime. The good news is the experience and expertise is out there in the market but it remains to be seen if the government recognise this and utilises this resource to deliver something workable.”



Sean Hooker, Head of Redress at The Property Redress Scheme





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Chapter 3



Other legislation is causing pressure

Aside from the Renters (Reform) Bill, and proposed changes to short-term lets (page 14), other legislative changes are on the horizon. Are letting agents and landlords ready to adapt?



What's the sentiment around EPCs?

The reaction to upgrading the energy efficiency of properties has been, in general, negatively received by both letting agents and landlords - likely due to the cost of upgrades.



What's happening?

In 2020, the government announced plans to increase Minimum Energy Efficiency Standards for the private sector. This would involve all newly rented properties to have the EPC band "C" by 2025. This survey closed before the announcement that the government was considering revising the deadlines.

78%

of letting agents believe changing EPC requirements would have a negative impact on the private rented sector

HOW MANY PROPERTIES DO NOT CURRENTLY MEET EPC BAND C?

It is clear there is some way to go for all properties to reach energy efficiency level C. Only 28% of landlords said all their properties currently met the requirements. Correspondingly, letting agents estimated only 29% of their landlords were currently meeting regulations.



Landlords: What will you do with your properties that don't meet an EPC band C rating?

- ▶ **23%** I will sell the properties
- ▶ **20%** I am already working to improve my properties' EPC rating
- ▶ **20%** I will consider improving my property's/properties' EPC rating in 2026 or later
- ▶ **20%** Not sure
- ▶ **19%** I will improve my property's/properties' EPC rating in 2024 or 2025



How are letting agents communicating the change?



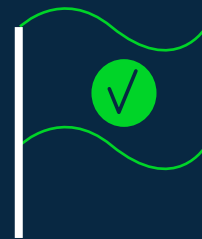
17%

of agents have not communicated with landlords about EPC changes



43%

of agents have advised landlords to wait for more news



29%

of agents said they advised landlords to make upgrades now



The upcoming EPC changes will likely see more properties with low-grade EPCs appear on the sales market - and those low EPCs could allow investors to negotiate a discount with the vendor. If an investor is clued up on how to improve an EPC, this could be seen as a bonus on property deals going forwards.”



Abs Hassan, Director at Prime Living

PRIME LIVING

Are property professionals ready to cope with the changes?

Letting agents appear to be more confident than landlords in being set up for the changes ahead.



THE GENERAL CONSENSUS >

74%

of agents said that they felt confident to cope with future legislation changes, in contrast to 44% of landlords

∨ How confident are you that you are set to cope with future legislation changes?



vouch

Tenant referencing that pays you

Vouch is a referencing solution **for letting agents, created by letting agents**. It's competitively priced, fast, and up-to-date.

Vouch offers a full tenant reference **from just £7**, and an automated income generation system that can earn agents commission on each property.

Book your demo today



Visit us today to learn how Vouch
can transform your business
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INDUSTRY SUPPLIER



vouch  a Goodlord
company

Chapter 4

Life as a letting agent in 2023

What is the role of a letting agent in the private rented sector? How do agents view themselves - and how do they think landlords and tenants perceive them?



Are landlords using agents?

Letting agents are continuing to showcase their value to landlords, especially those that prefer a hands-off approach.

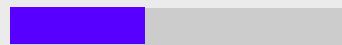


LANDLORDS THAT USE A LETTING AGENT



57%

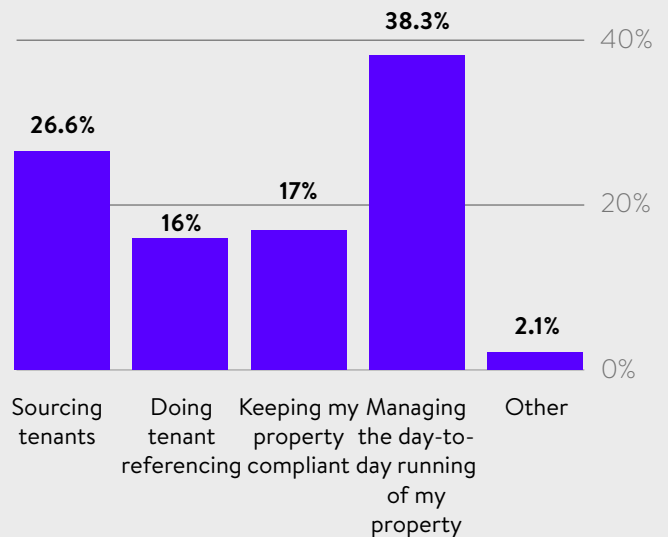
of landlords surveyed said they used a letting agent for some or all of their properties



38%

said the main advantage of using an agent was to handle the day-to-day running of a property

Landlords: What did you find to be the main advantage of using a letting agent?

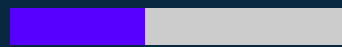


LANDLORDS THAT HAVE USED A LETTING AGENT IN THE PAST



28%

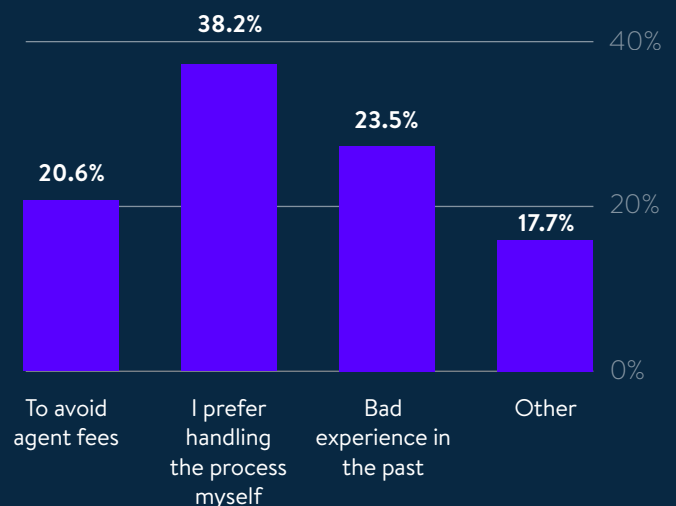
of landlords surveyed said they had used a letting agent in the past but had stopped using the agent's services



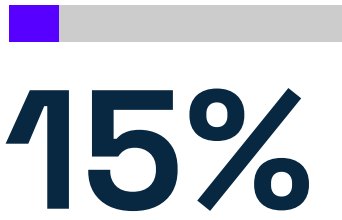
38%

of these landlords said this was because they preferred to handle the process by themselves

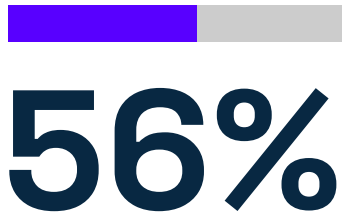
Landlords: Why did you stop using a letting agent?



LANDLORDS THAT HAVEN'T USED AN AGENT

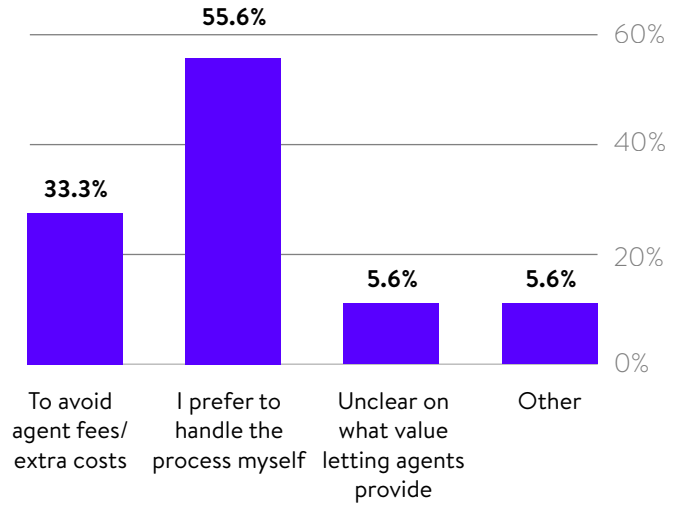


of landlords surveyed said that they didn't plan on using a letting agent



said this was because they preferred to handle the process themselves

Landlords: Why don't you use an agent?



“

I am very confident that my letting agents will ensure that my properties comply with the upcoming changes in legislation. I have used them for many years and I trust them to act in my interests. I am happy to leave them to manage my properties, knowing that they always act professionally and that they go the extra mile to give a great service.”



Jane, Landlord, South East



How have letting agents' workloads changed this year?

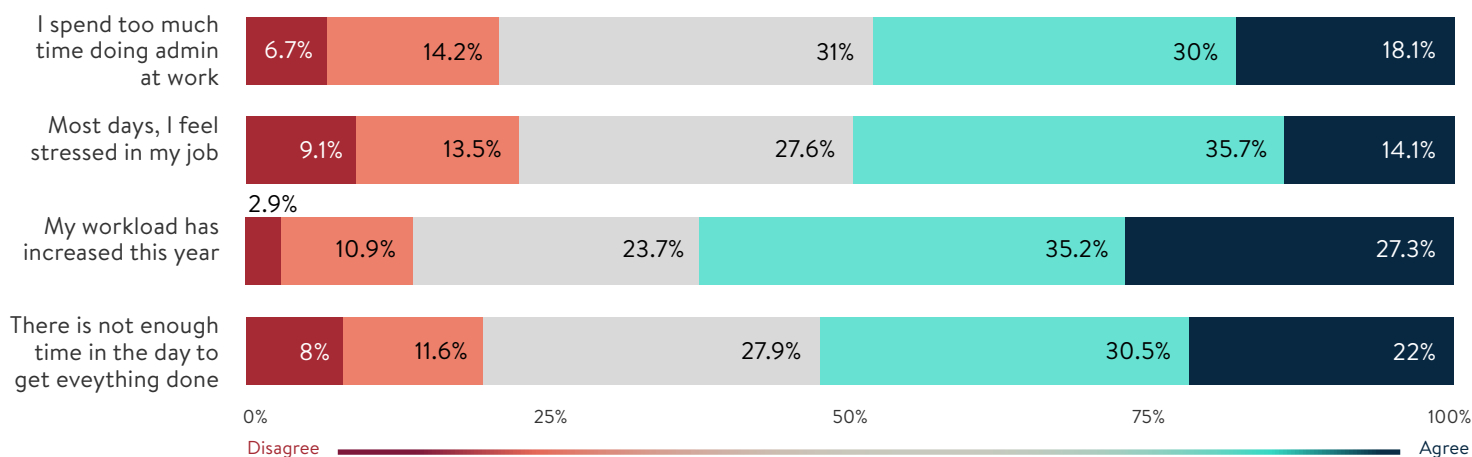
Letting agents indicated to us that workload has increased in the past year, with just over half of respondents saying they struggled to get everything done in a day.



THE STRESS OF A LETTING AGENT >

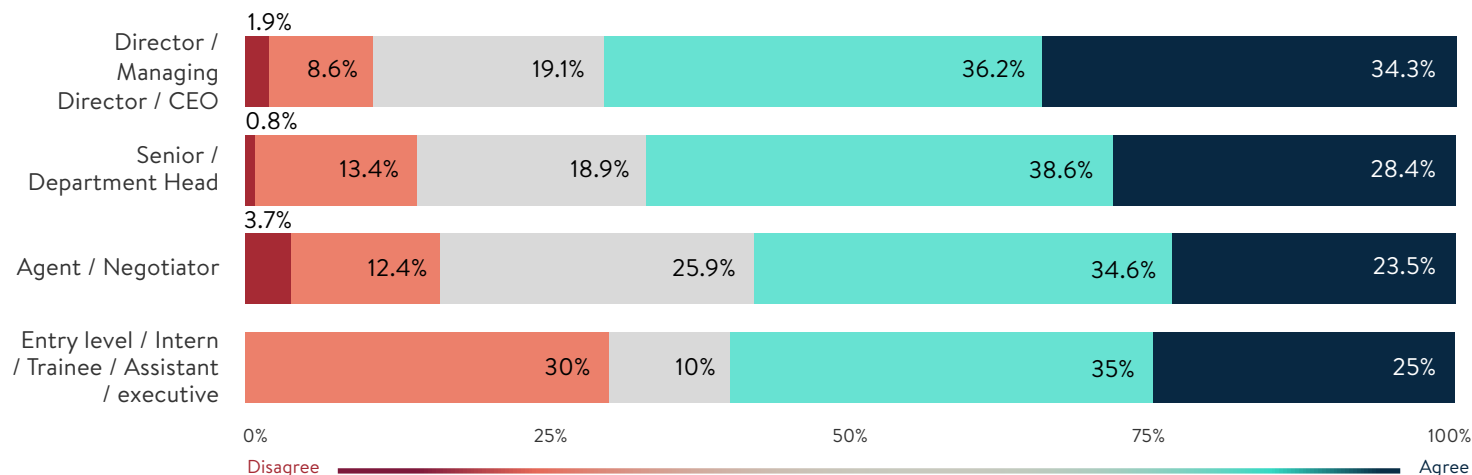
50% of agents said that most days they feel stressed in their job and 62% agreed that their workload has increased in the past year.

How far do you agree with the following statements about your role?



Most days, I enjoy my job

Senior lettings professionals are happier in their roles.



- Strongly disagree
- Slightly disagree
- Neither agree or disagree
- Slightly agree
- Strongly agree

How are letting agents perceived by tenants and landlords?

Letting agents gave their views on how appreciated they felt from tenants and landlords - but did this match up to the reality?

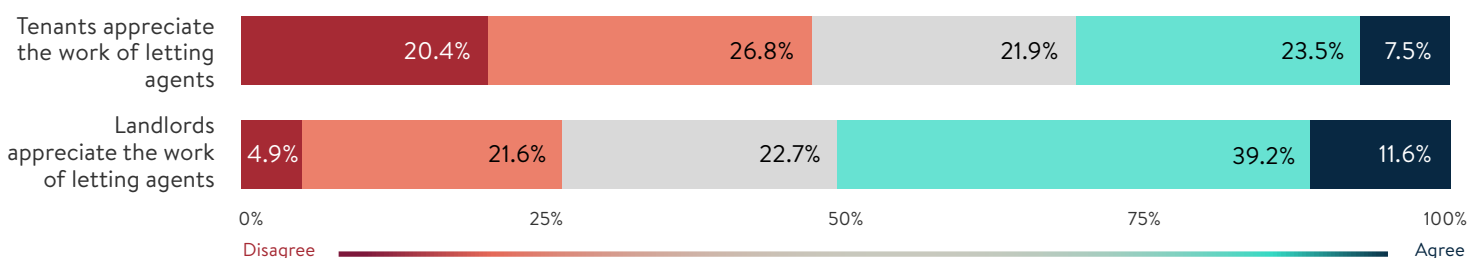


GENERAL SENTIMENT >

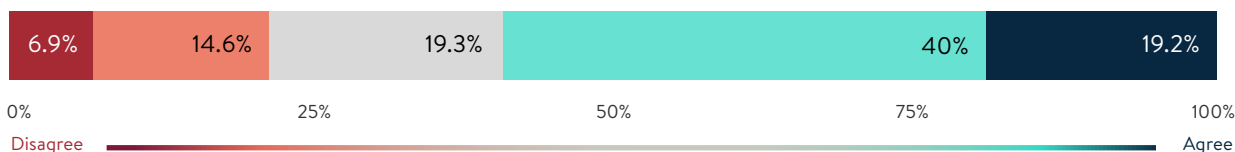
About half of letting agents believe that landlords appreciate their work, and 31% of agents believe tenants appreciate their work. However, 60% of tenants actually indicated that their experience with letting agents had mostly been positive.

● Strongly disagree ● Slightly disagree ● Neither agree or disagree ● Slightly agree ● Strongly agree

∨ The letting agents' view



∨ Tenants: “My experience with letting agents has been mostly positive”



We have noticed that landlords who are staying in the market, are increasingly moving away from the self-managed model, instead employing professional managing agents to reduce their risks. Many tenants who are experiencing unprecedented rent increases are sadly misdirecting their anger and are blaming agents for the difficulties they are facing. Despite this, we must remain empathetic when dealing with all the stakeholders, as the angst amongst renters is very real.



Greg Tsuman, Lettings Director, Martyn Gerrard



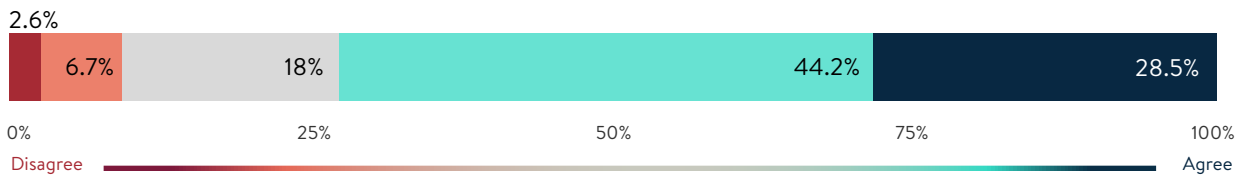
Are letting agents keeping up to date with technology?

2023 marked the breakout of generative AI and ChatGPT. Are letting agents embracing technology, or still using a whiteboard to track tenancies?



Are letting agents open to adopting new technologies?

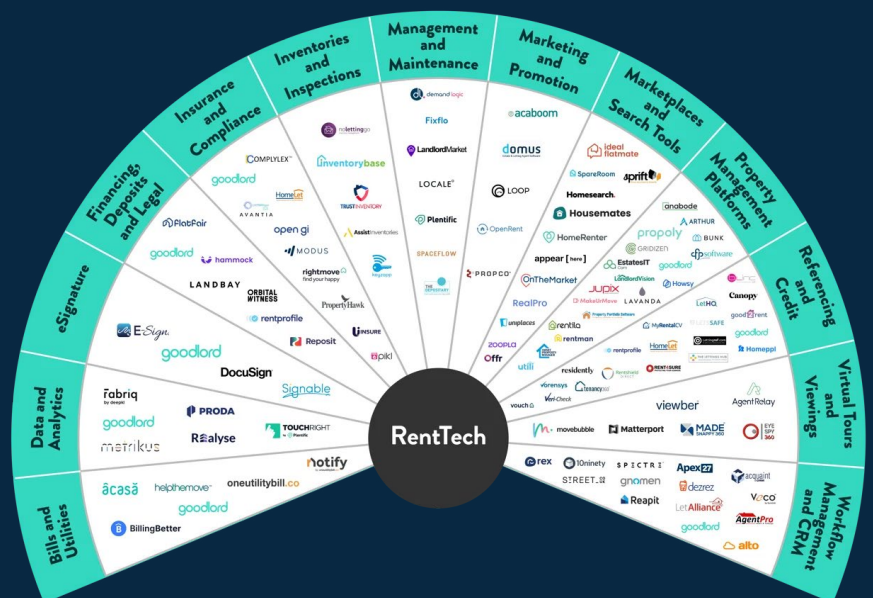
- Strongly disagree
- Slightly disagree
- Neither agree or disagree
- Slightly agree
- Strongly agree



The rise of RentTech

RentTech - a mix of "rental" and "technology" - describes the rapidly growing technology landscape for estate agents, landlords, and tenants.

The first #RentTech supergraphic was launched by Goodlord and Vouch in January 2023 to showcase the multiple technology providers that letting agents are using to show their competitive edge to landlords.



Goodlord and Vouch will give more information about lettings agents and technology later on this year.

Sign up to renttech.co for early access



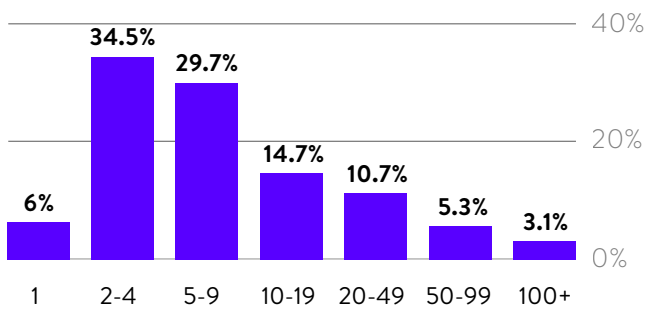
What does an average agency look like?

With two-thirds of agents working for a business with less than 10 people, how do you stack up against the average agent?



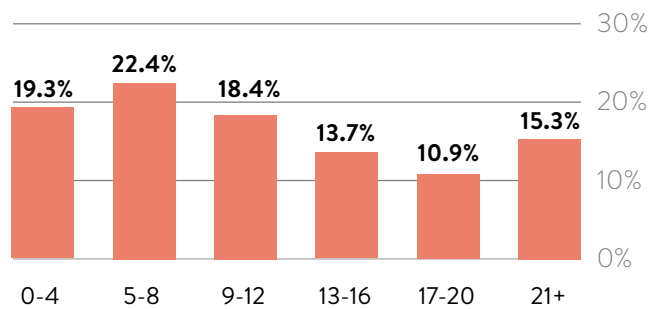
How many people work in your lettings business?

70% of agents worked in a business with fewer than 10 employees.

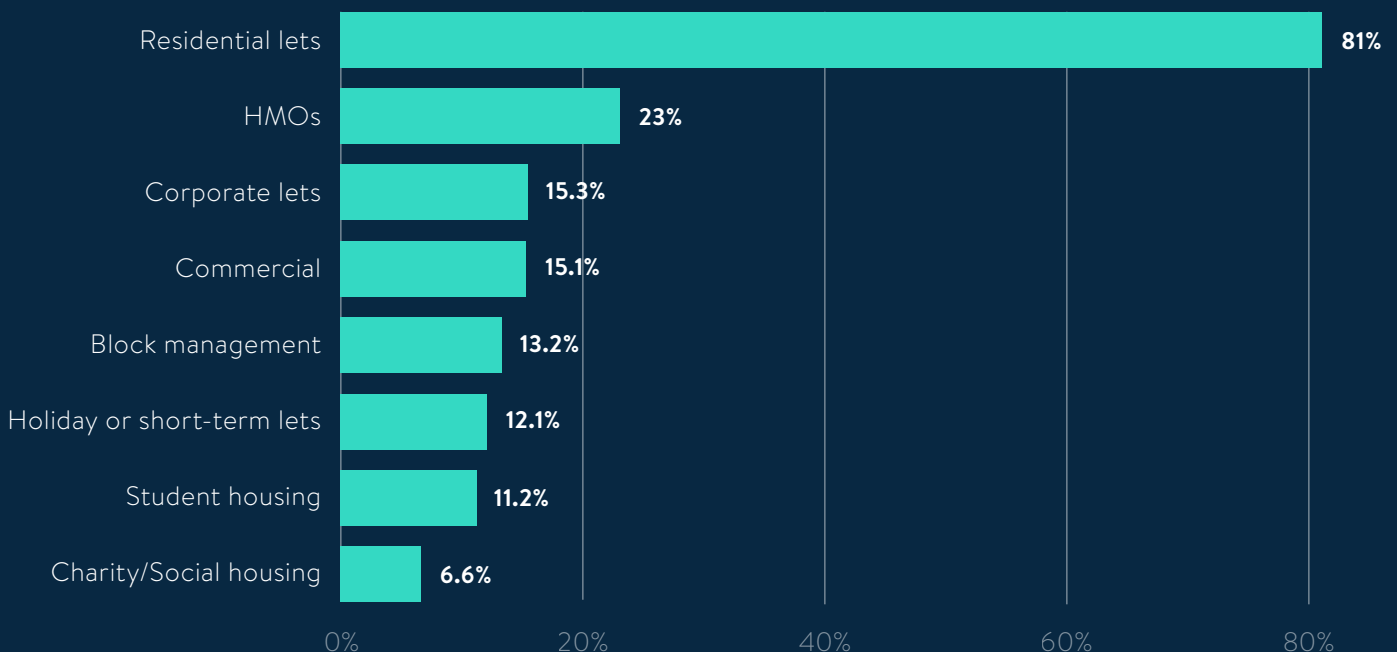


How many years have you worked in the lettings sector?

58% of letting agents have worked in the sector for more than nine years.

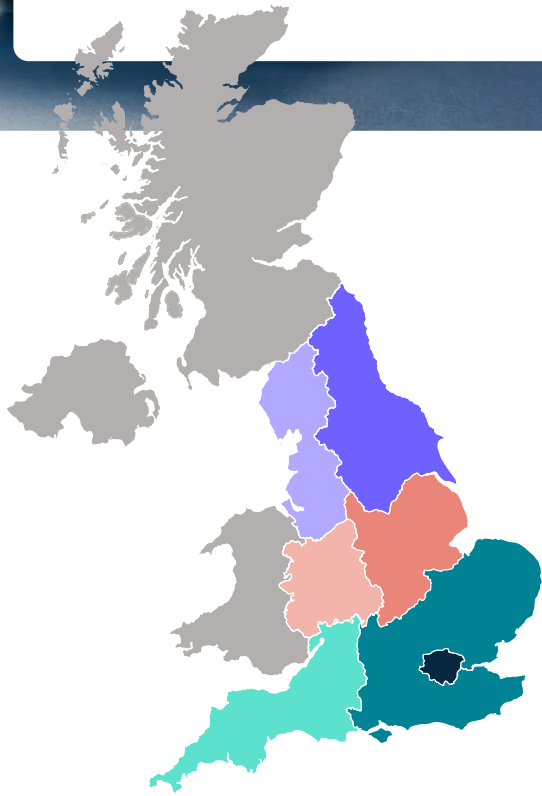


What type of lettings does your agency focus on?

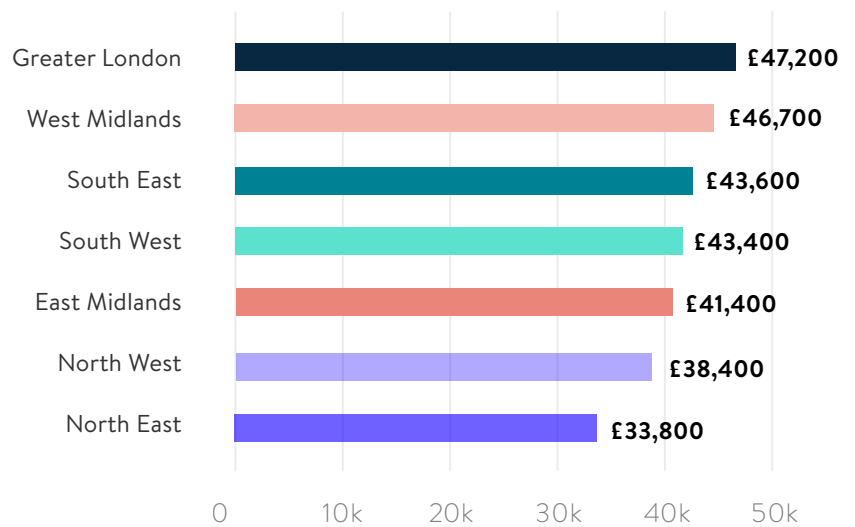


What is the average salary for a letting agent?

For the first time this year, Goodlord and Vouch asked letting agents to provide their average take-home salary, before tax and including commission.



Average salaries in England by region*



*Takes into account all job roles and levels of seniority.

GREATER LONDON

No one in London claimed to earn less than **£20,000**

WALES

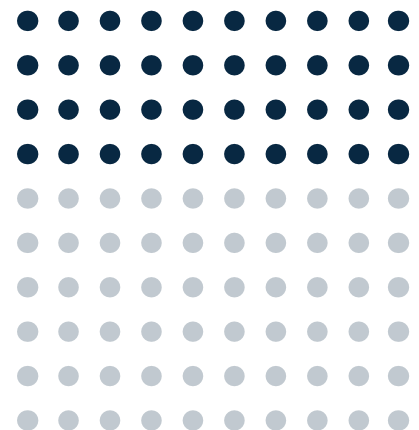
No one in Wales claimed to earn more than **£80,000**

NORTH EAST

The North East saw the highest percentage of agents earning less than **£20,000**

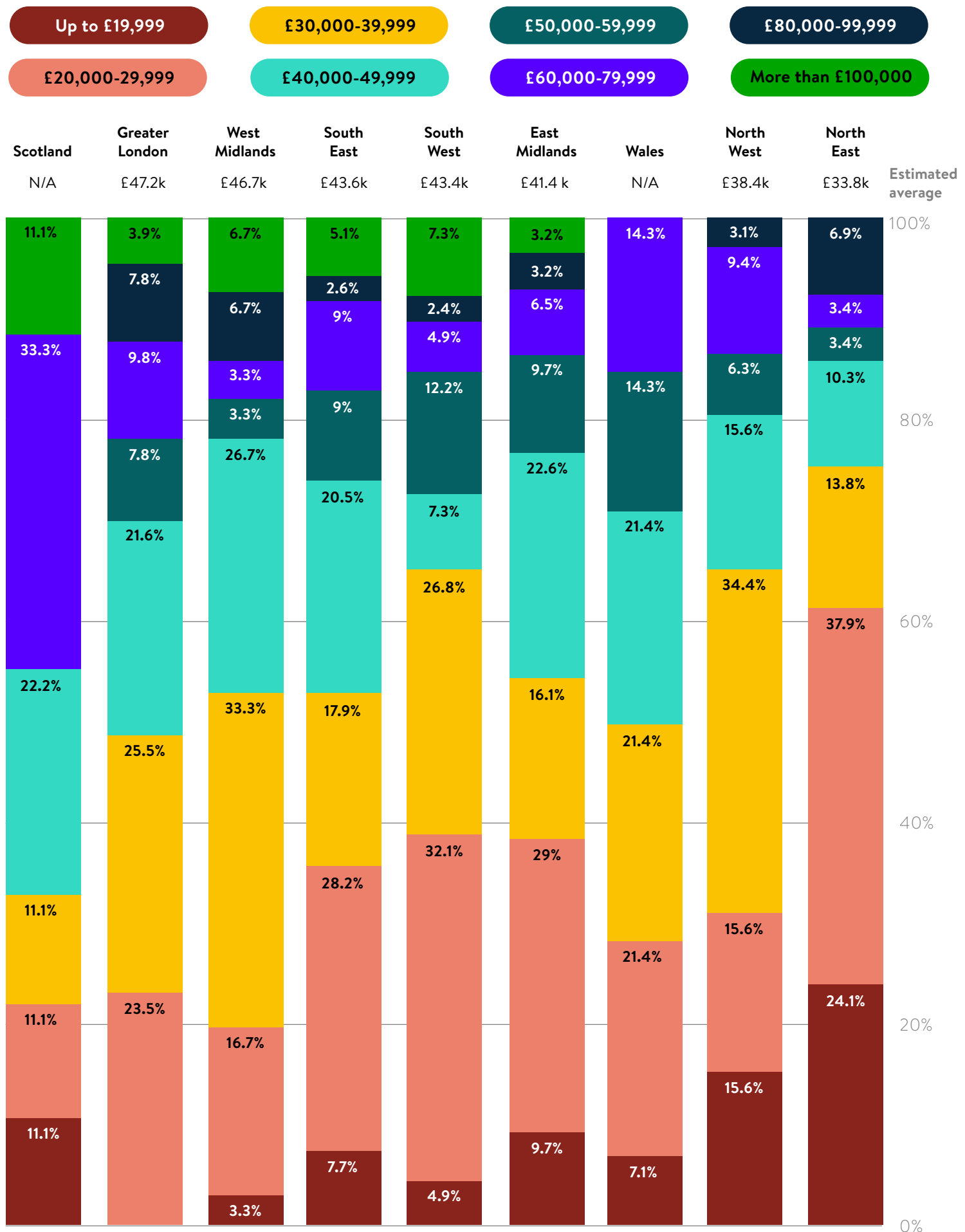
40%

of letting agents agreed with the statement "I believe I am paid fairly for the job I do"



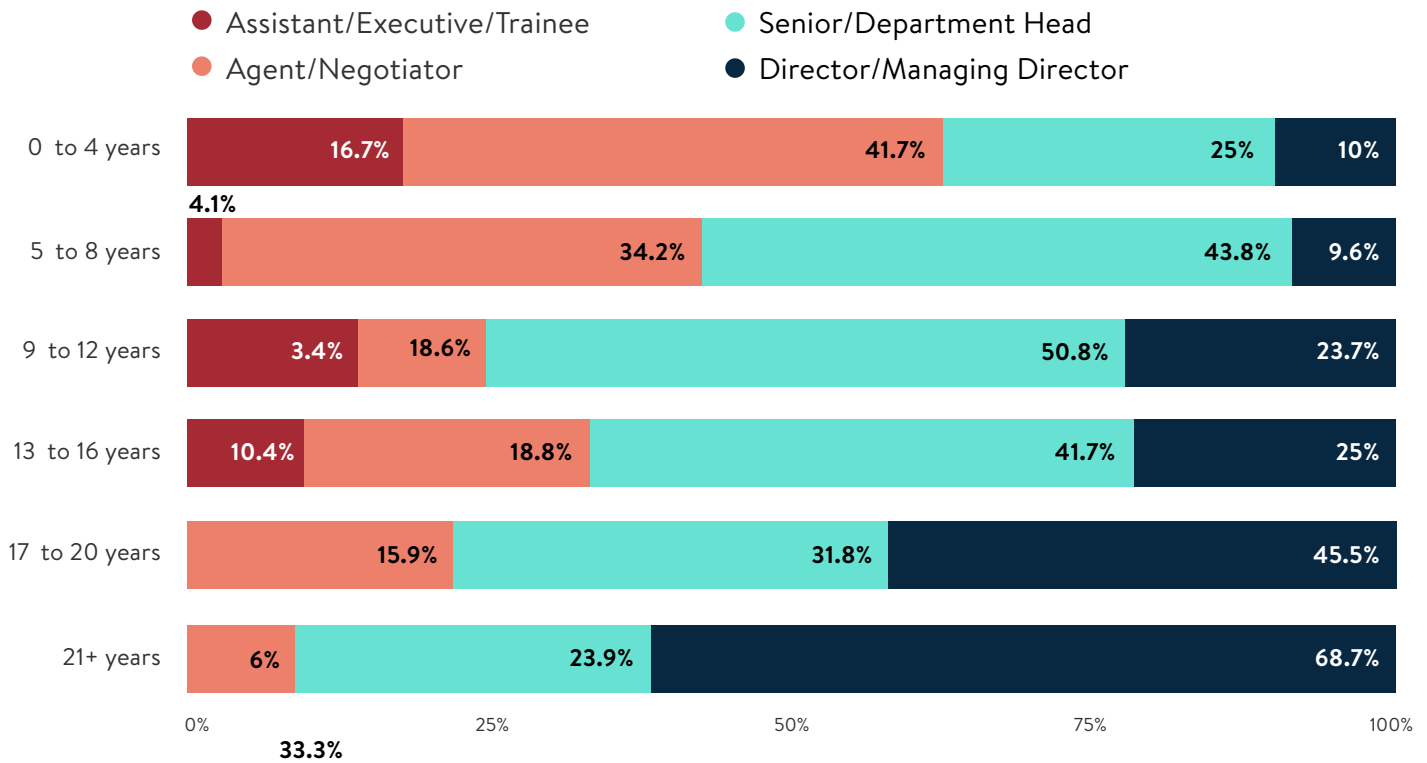
What is your average take home salary? (Before tax, including commission)

The following graph shows a breakdown of earnings in each area of the UK



SALARIES BY JOB ROLES

Which of the following aligns most closely to your job role?



Years' experience and seniority



Agents with less than four years of experience are most likely to be in an entry level/intern role (17%), or a letting agent (45%)

Agents with 5-16 years' experience are more likely to be senior in their agency, or a Department Head

Director roles become more common with experience, with 63% of long-term agents being a Director, Managing Director, or CEO

AGENTS/NEGOTIATORS

Agents' salaries were disparate, with 50% of agents earning up to £29,999. However, 7% of letting agents earned between £60,000-£79,999.

SENIOR/DEPARTMENT HEADS

30% of Senior/Department Heads earned between £30,000-£39,999, with 24% earning under £29,999 and 20% earning between £40,000-£49,999.

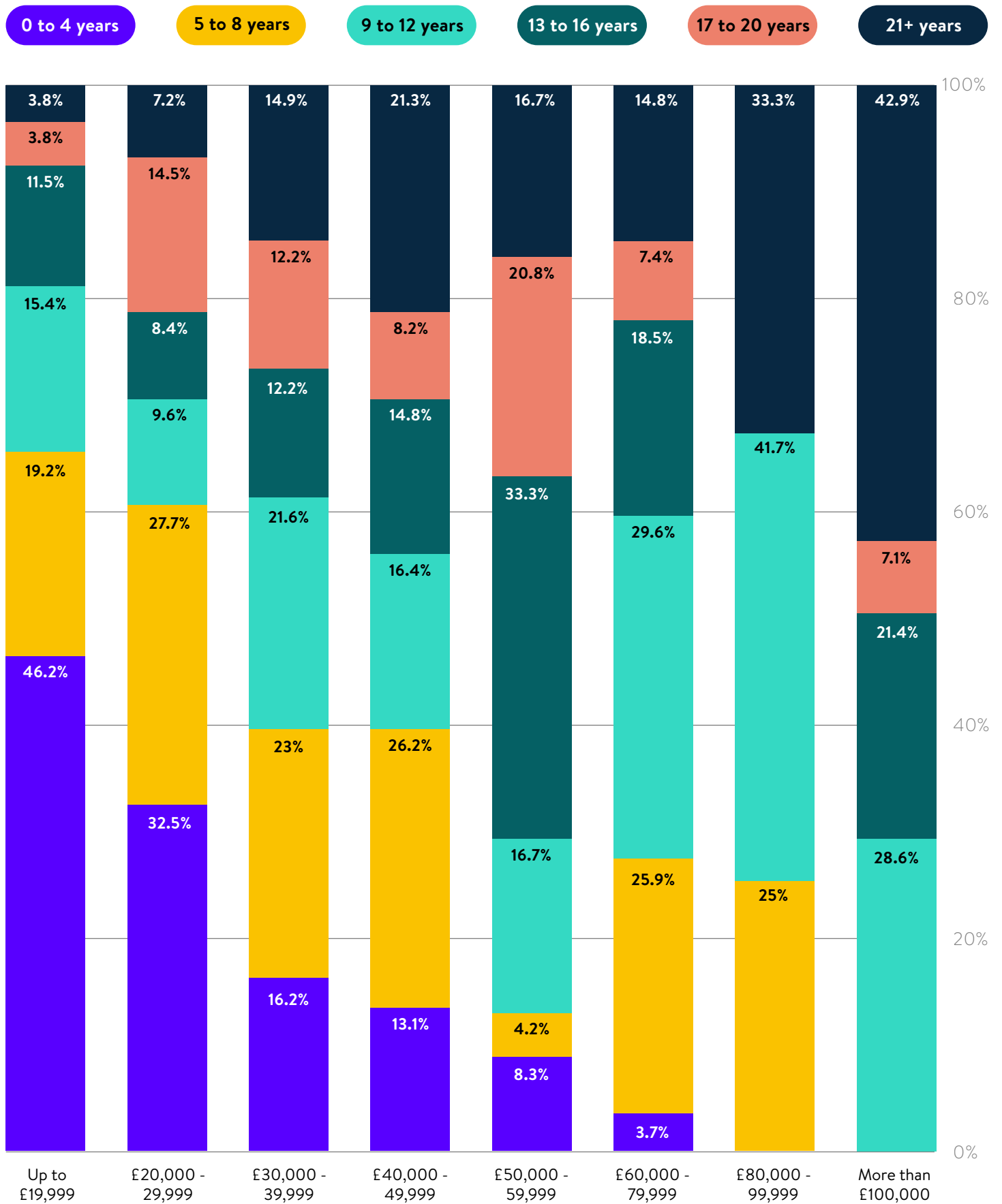
DIRECTORS AND CEOS

Directors had the widest disparity of salary, with 17% earning £30,000-£39,999 but 10% earning more than £100,000 per year.

Average salary bandings

Entry level / Intern / Trainee / Assistant / Executive	£30,000 - £39,999
Agent / Negotiator	£30,000 - £39,999
Senior / Department Head	£40,000 - £49,999
Director / Managing Director	£50,000 - £59,999

How many years have you worked in the lettings sector?

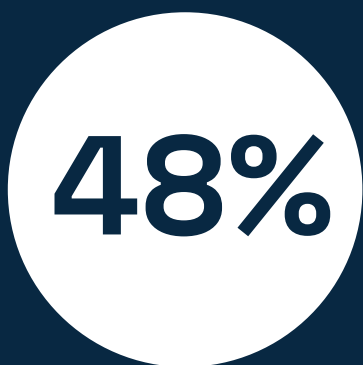


Will letting agents stay in the private rented sector?

We asked letting agents how they envisioned their future in the sector.



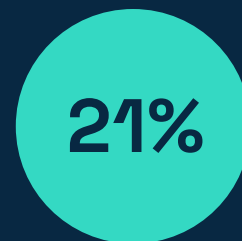
In five years time...



would like to still be working in the sector



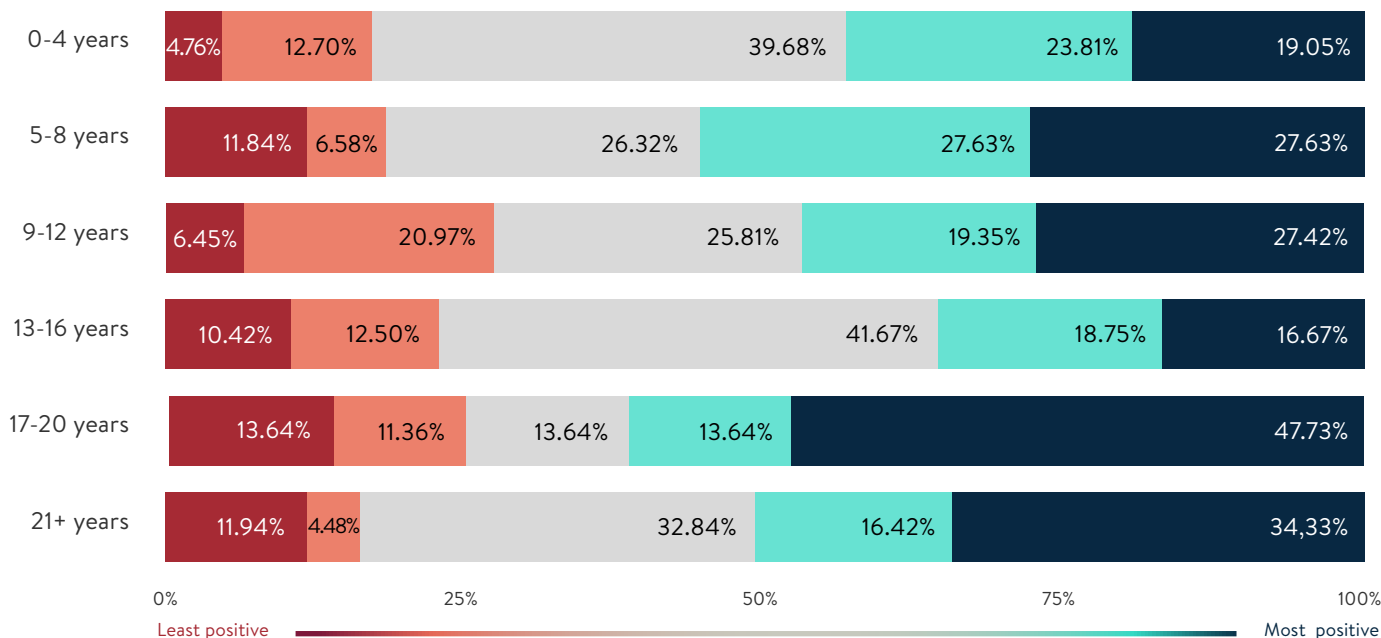
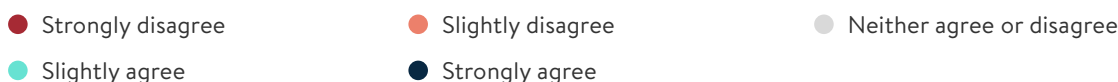
are unsure



would not like to work in the sector

“I hope I am working in the lettings sector in five years time”

Those working in the sector for longer felt more settled to stay than agents new to the industry.



Ready to make your business more time efficient and cost effective?

Say goodbye to all those annoying admin tasks

Goodlord is the lettings platform that joins the dots: from updating tenancy agreements with new requirements to helping you navigate upcoming legislation.



- Automate lettings compliance
- Set up a tenancy in less than 60 seconds
- Streamline the digital referencing journey
- Make Rent Collection easy with a service that chases your tenants for you
- Make commission from a range of move-in services for your tenants
- Navigate new court processes with our Rent Protection and Legal Expenses service



Watch a demo now

Chapter 5



Life as a tenant in 2023

Renting in the private rented sector continues to pose challenges for tenants, with affordability and lack of housing stock causing pressures.



Are tenants able to afford the rent?

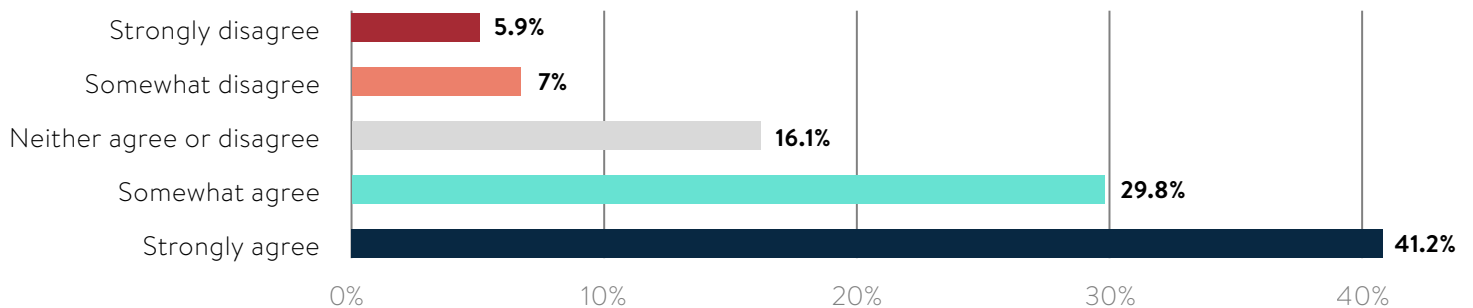
With the cost-of-living crisis still continuing through 2023, affordability still remains a contentious issue.



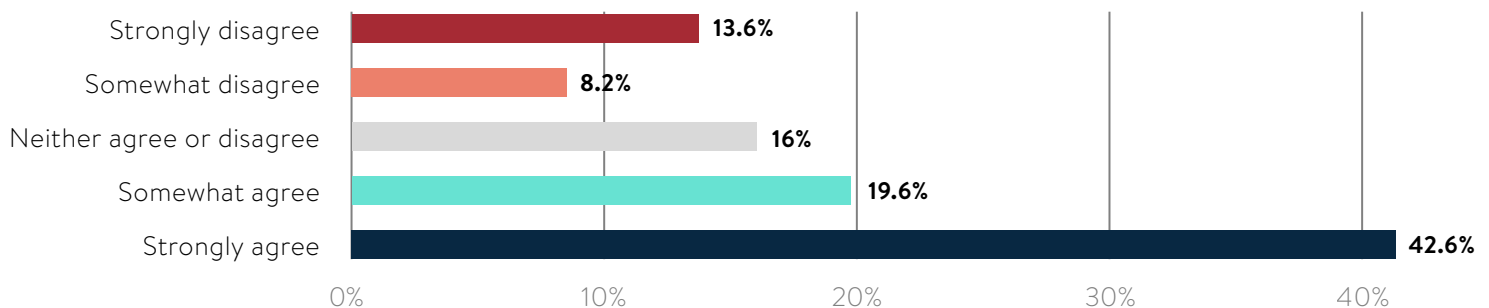
GENERAL SENTIMENT >

Although 71% of tenants agreed their income was secure, only 30% said paying the rent was not an issue. In fact, 39% of tenants said their biggest worry was paying the rent.

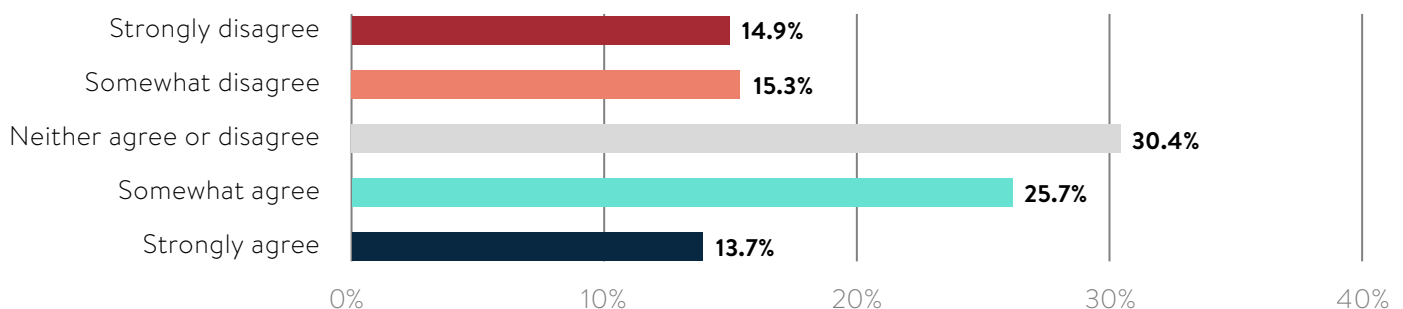
My income is secure



I want to buy a house but I can't afford the deposit



Paying my rent is my biggest worry right now

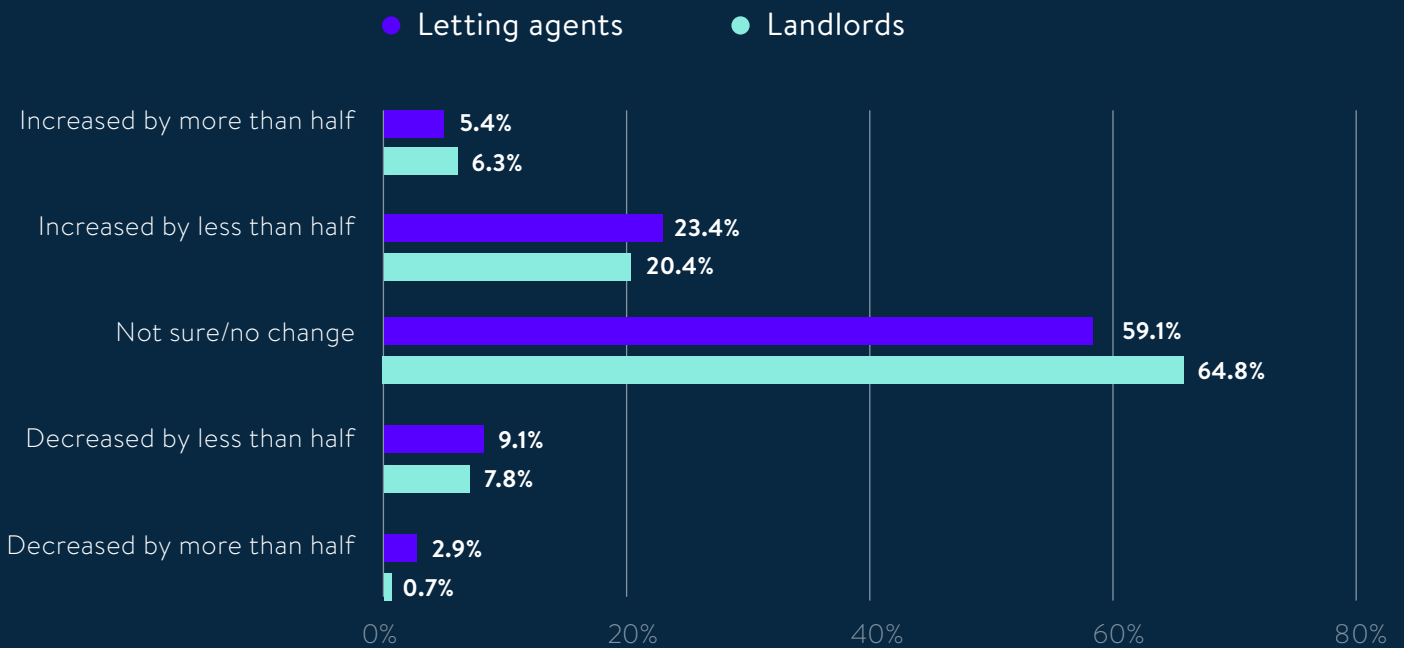


ARREARS SAW SMALL INCREASES



Although the majority of letting agents and landlords did not see too many changes in rent arrears over the last 12 months, 29% of letting agents and 27% of landlords said that they had seen some increases in tenants not paying their rent.

Have rent arrears in your portfolio decreased or increased in the last 12 months?



Are guarantors on the rise?

As landlords seek to secure their income, more tenants are being asked to provide guarantors to prove they can live in a property.



LANDLORDS



16%

of landlords said they required a tenant to provide a guarantor, regardless of what salary the tenant earns.

60%

of landlords said they would ask for a guarantor if the tenant was on a salary that could affect the affordability of a property.

TENANTS



33%

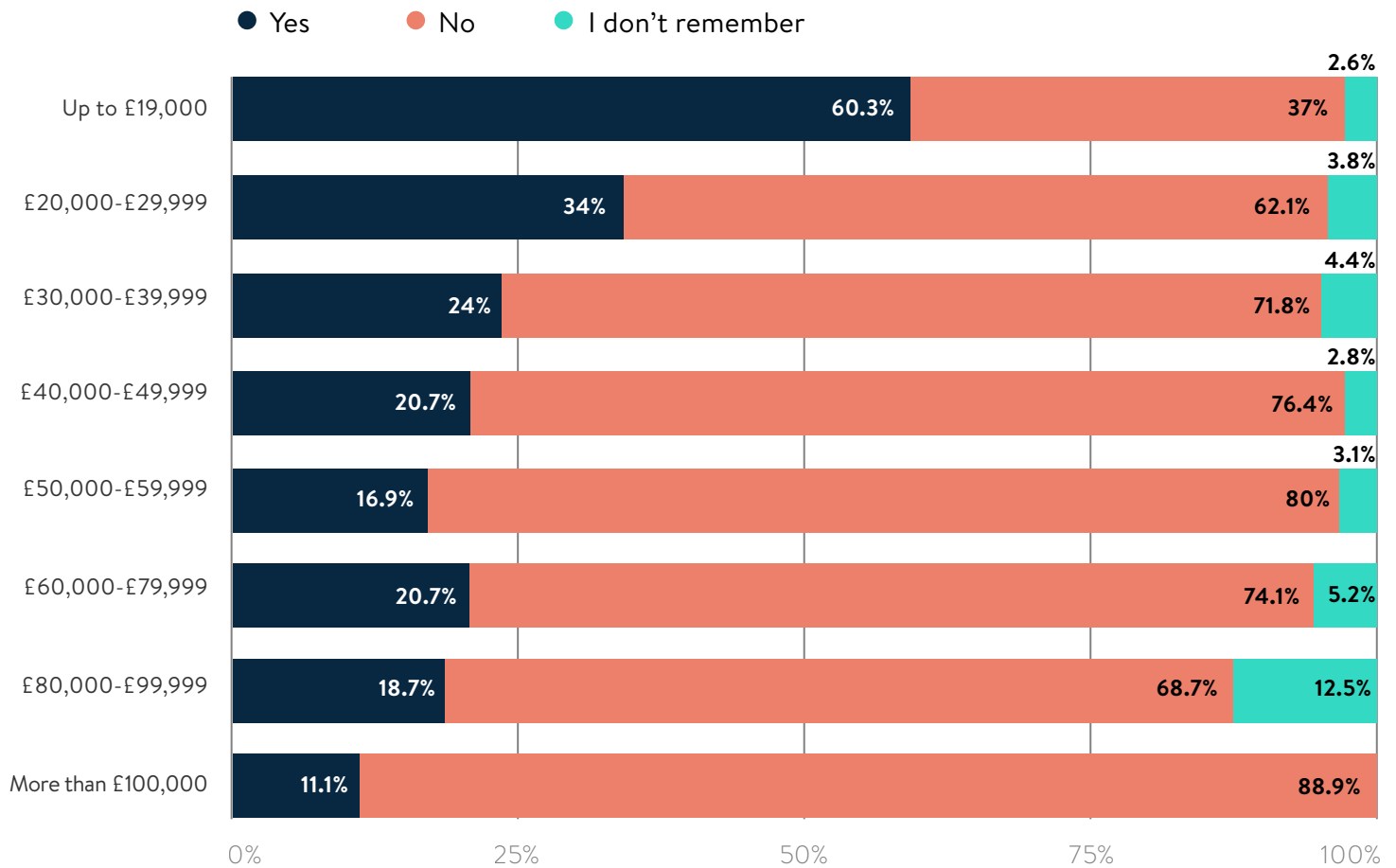
of tenants were asked to provide a guarantor in their most recent tenancy agreement.

35%

of tenants who moved into a property in the last three years stated they were asked to provide a guarantor - a significant rise from 10% of tenants who had lived in a property for more than three years.



↳ Tenants who were asked for guarantors (by salary)



ADDITIONAL RESEARCH

In June 2023, Goodlord and Vouch conducted a separate analysis on 220,000 tenancies between 2020 and 2023.

In 2020, just 3.7% of tenants earning salaries of between £25,000 and £49,999 were asked to provide a guarantor by their letting agents or landlord. However, in 2023 to date, this has risen to an average of 5.84% of all tenants - an increase of 58% compared to 2020 figures.

Meanwhile, tenants earning between £50,000-£74,999 also saw a rise. In 2020, just 1.35% of earners in this bracket were required to secure their tenancy with a guarantor. In 2023 this was 2.59% - a 92% increase.



Having a guarantor just feels like another hoop to make renting more difficult. And what's to stop someone getting preferential treatment over another renter because they've got a more 'desirable' guarantor with a higher income?"



Rory, Tenant, Luton



Are tenant demographics changing?

Renting is traditionally associated with younger people - and is often considered a step before purchasing a property.

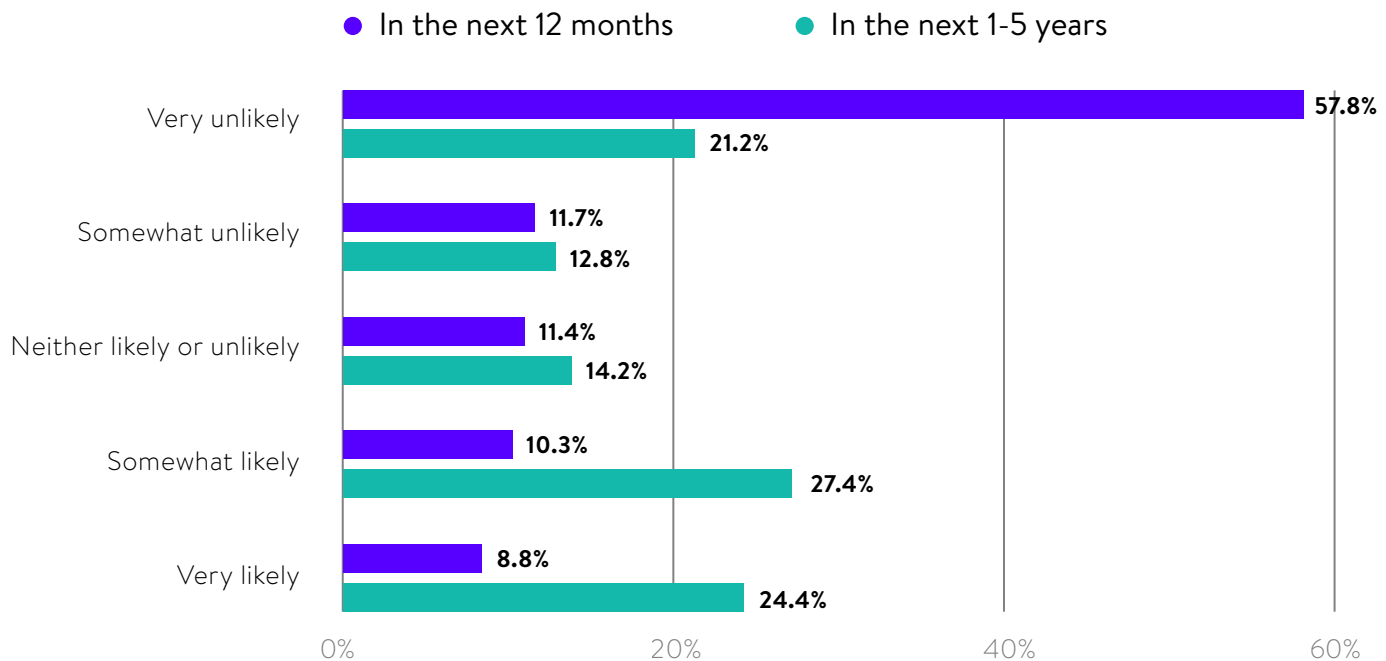


GETTING ON THE HOUSING LADDER



Although in the next 12 months only 19% of tenants said they were likely to buy a property, more than half of respondents said they plan to buy a property in the next 1-5 years.

How likely are you to buy a property?



63%

of tenants surveyed said that they wanted to get on the housing ladder but that they could not afford the deposit

THE RISE OF OLDER RENTERS

Of more than 1,000 tenants surveyed, 31% were over 40 years old. They were:



71% in full time employment, and 16% self employed



Mostly renting in the South East (29%), the South West (16%), and London (13%)



About Goodlord



Goodlord is a RentTech company on a mission to provide the best renting experience in the world.



Goodlord's digital platform brings together the core elements of the lettings process - from signing contracts to rent collection. Since its inception in 2014, Goodlord has processed more than one million tenancies.

The group has demonstrated its commitment to further growth by acquiring referencing vendor Vouch in 2020, fintech platform Acasa in 2021, and onboarding platform Halo in 2023.

[Visit Goodlord](#)

About Vouch



Built by lettings agents for lettings agents, Vouch delivers a reliable referencing solution that is competitively priced, fast, and up-to-date.



Founded in 2017, Vouch joined the Goodlord family in 2020. The company is based in Sheffield and serves more than 1,000 letting agents across the UK.

Vouch offers two industry-leading products, including a full tenant referencing service from only £7. This, combined with a fully-automated income generation system, helps agents to save time on unnecessary admin - and to earn commission from each property.

[Visit Vouch](#)



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